Impact of Travel on State Economies 1979

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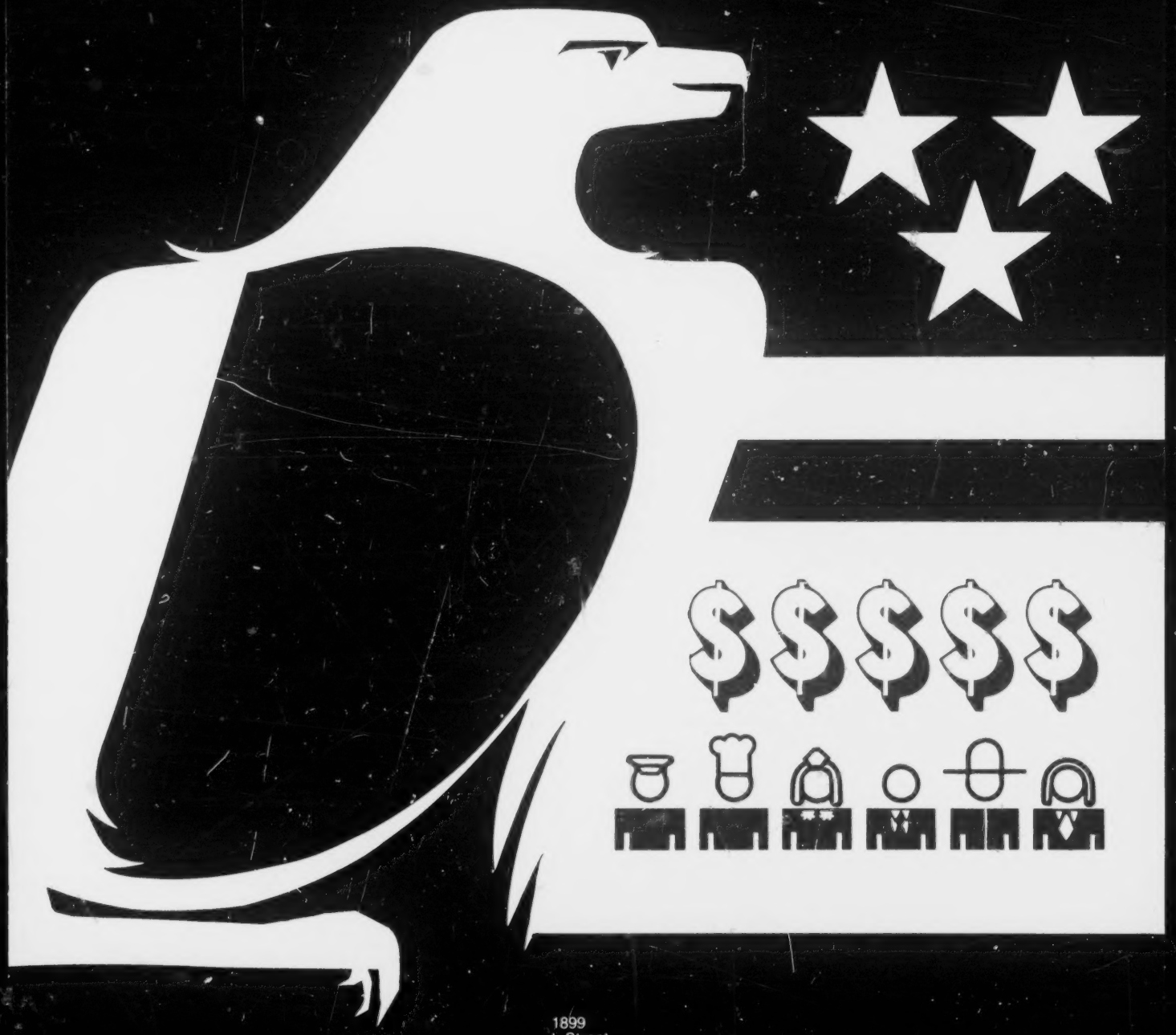

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THE

IMPACT OF TRAVEL

ON

STATE ECONOMIES - 1979

United States Travel Data Center
Washington, D.C.

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The United States Travel Data Center is the national, non-profit center for travel and tourism research. Since its establishment in 1973, the Data Center has devoted itself to advancing the common interests of the travel industry and the public it serves by encouraging, sponsoring and conducting statistical, economic, and scientific research concerning travel, the travel industry and travel-related industries. In pursuit of this objective, the Data Center gathers, analyzes, publishes and disseminates the results of such research, and cooperates with all government agencies, private industry and academic institutions with similar purposes and objectives. The Data Center is financed through publication sales, membership dues and contract research. It is located in Suite 610, 1899 L Street, N.W., Washington, D.C. 20036.

Earl E. Ditmars, Chairman

Dr. Douglas C. Frechtling, Director

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INTRODUCTION

The estimates of the economic impact of travel contained in this volume are the product of the Travel Economic Impact Model (TEIM), an economic model developed expressly to indicate the expenditures, employment, payroll, business receipts and tax revenue generated by travel.

The conceptual development of the model was funded by the Bureau of Land Management of the U.S. Department of the Interior in 1975. Since that time, the Model has been expanded to reflect the availability of improved data and has been computerized. While not included here, the Model has also been extended to produce improved county-level estimates of travel impact. The data contained in this report are the only estimates of the economic impact of travel available for all 50 states and the District of Columbia.

In earlier years, the Data Center published estimates of travel's impact at the state level covering 1974, 1975 and 1976. With the availability of the U.S. Census Bureau's 1977 Censuses of Transportation, Service Industries, and Retail Trade, the Travel Economic Impact Model was revised substantially. The 1977 and subsequent year estimates are from the revised model. Consequently, 1977 and later estimates are not comparable to earlier data published by the Data Center, and should not be compared to them.

The Data Center views the Model as a continuing, evolving project producing annual estimates. It is hoped that this publication will stimulate discussion and criticism of the Model to promote further development and improvement. Users of these data are encouraged to communicate their reaction, both positive and negative, to the Data Center in the interest of progress in travel research.

The individual state estimates should not necessarily be viewed as substitutes for the work of the states with major research projects on the impact of travel and tourism. Rather, the user should compare the methodologies and results, and draw his own conclusions regarding the validity of differing approaches and estimates.

Estimates for 1979 are contained in this report. In the Appendices, the Travel Economic Impact Model is summarized, and a glossary of terms is provided. In addition, revised estimates for certain states for 1978 are included in a special appendix. These revisions are based on special studies of individual states and counties conducted during 1980 by the Data Center.

1979 U.S. DOMESTIC TRAVEL EXPENDITURES

In 1979, Americans spent $140.7 billion traveling in the U.S. on overnight trips and day-trips to places 100 miles or more away from home and return. This is a 15 percent increase over the domestic travel spending by Americans during 1977. As indicated in Table 1, spending on meals while traveling was the dominant expenditure category, totaling almost $38 billion, almost 27 percent of the total travel spending of U.S. residents. Auto transportation expenditures were $33 billion, comprising almost 24 percent of the total. Incidental purchases showed the lowest amount of all categories at $10.2 billion and 7.2 percent of the total.

Table 1: U.S. Resident and Foreign Visitor Travel Spending in the U.S., 1979

Expenditure Category	Expenditures (billions)	Percent of U.S. Total
Public transportation	$ 28.1	20.0
Auto transportation	33.2	23.6
Lodging	20.9	14.9
Food	37.9	26.9
Entertainment and recreation	10.5	7.5
Incidentals	10.2	7.2
U.S. Total	$140.7	100.0%
U.S. Territories[1]	.9	
Foreign Visitor Spending	8.3	
Grand Total	$150.0	

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center

[1] U.S. territories in this report include American Samoa, Guam, the Marianas, Puerto Rico, and the U.S. Virgin Islands.

In these estimates, lodging expenditures of travelers must be distinguished from total receipts of commercial lodging facilities. The latter includes all sales income of hotels, motels and tourist courts, from room sales, restaurant sales, concessions, valet and other services to customers. The TEIM cannot distinguish meals purchased in independent restaurants from those purchased in restaurants operated by hotels or motels. Consequently, some of the food purchases estimated by the model took place in commercial lodging facilities. This explains how changes in lodging expenditures by travelers may differ from variations in total lodging industry receipts.

Data were obtained from five of the U.S. Territories on U.S. travel expenditures in these areas. As indicated in Table 1, these totaled $880 million in 1979. This amount represents only what U.S. residents spent in the two territories, excluding foreign visitor spending. The latter is included in the U.S. Department of Commerce figures on total foreign travel expenditures in the U.S.

According to the U.S. Department of Commerce, receipts from foreign visitors in the U.S. (including U.S. territories) totaled $8,335 million in 1979.[2] This does not include receipts of U.S. carriers for transportation between U.S. and foreign points. The former concept is consistent with the TEIM estimate for American resident travel spending. Together, Americans and foreign visitors spent $150 billion on travel in the U.S. in 1979, 15.1 percent more than the level reached during 1978. Total travel-generated expenditures accounted for 6.2 percent of 1979 Gross National Product in current dollars.[3]

Table 2 shows travel spending in six categories by state visited in 1979. These estimates represent the total expenditures by travelers, including retail sales taxes.

As indicated in the table, California garnered more travel expenditures than any other state at $19.1 billion, or 14 percent of total travel expenditures in the U.S. by Americans during 1979. Florida was second at nearly $11 billion. New York held third place in 1979 with nearly $9.5 billion in travel expenditures. Texas was in fourth position, with nearly $8.7 billion in traveler expenditures in the state.

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[2] U.S. Department of Commerce, Bureau of Economic Analysis, "International Travel and Passenger Fares, 1970-79," Survey of Current Business, Vol. 61, No. 5 (May, 1981), p. 29

[3] Ibid, p. 5

Twenty-four states in all received more than two billion dollars in travel revenue in 1979 according to the TEIM, compared to 19 states which surpassed that level in 1978. Those 24 states comprised 80 percent of total expenditures by American travelers in the U.S. Thirty-four states received more than one billion dollars in travel spending revenues in 1979.

At the other end of the scale, Rhode Island received the least amount of travel spending at $328 million. Only three states received less than $500 million from traveler spending in 1979, compared to four states below that level the previous year.

California posted the highest rate of growth in travel expenditures between 1978 and 1979, at more than 26 percent. Connecticut and Nevada each posted a 22 percent increase. Alaska posted the slowest growth rate, at somewhat less than 6 percent.

Appendix C to this report contains revisions of the 1978 estimates of U.S. travel expenditures in the following states: District of Columbia, Maryland, Vermont and Virginia. Estimates of total spending are also revised, but less than two-tenths of one percent.

TABLE 2: 1979 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 142.9	$ 226.8	$ 170.0	$ 341.7
ALASKA	188.2	99.8	73.6	140.3
ARIZONA	373.2	561.3	361.9	624.6
ARKANSAS	81.1	289.3	161.6	462.9
CALIFORNIA	5,497.2	4,556.3	2,302.3	4,433.3
COLORADO	574.5	470.2	486.5	802.5
CONNECTICUT	352.3	950.6	90.1	259.6
DELAWARE	31.7	51.2	82.6	129.0
FLORIDA	1,704.6	2,088.1	2,470.1	3,040.1
GEORGIA	546.7	1,312.1	426.6	836.9
HAWAII	521.2	269.3	523.5	428.4
IDAHO	84.1	121.3	103.8	288.1
ILLINOIS	1,233.4	1,361.8	393.4	1,017.7
INDIANA	365.6	535.3	229.1	619.7
IOWA	272.4	345.8	143.6	404.8
KANSAS	210.0	430.2	108.1	327.4
KENTUCKY	191.9	709.3	175.4	439.7
LOUISIANA	432.3	729.2	270.7	661.1
MAINE	97.6	114.9	259.5	309.4
MARYLAND	675.5	287.1	241.4	630.0
MASSACHUSETTS	851.8	965.9	528.5	653.7
MICHIGAN	872.6	928.5	850.4	1,249.5
MINNESOTA	573.2	778.8	527.0	909.4
MISSISSIPPI	101.0	215.5	92.1	288.2
MISSOURI	636.0	908.3	517.0	738.8
MONTANA	19.1	107.8	102.7	196.0
NEBRASKA	145.8	215.7	85.1	302.0
NEVADA	324.6	612.2	639.6	798.9
NEW HAMPSHIRE	62.7	130.7	254.4	253.9
NEW JERSEY	1,177.5	447.8	581.2	1,048.3

TABLE 2: 1979 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	146.0	195.7	126.7	347.9
NEW YORK	2,120.2	2,448.9	1,505.6	2,408.4
NORTH CAROLINA	339.0	723.9	499.8	941.5
NORTH DAKOTA	82.8	182.5	39.2	142.3
OHIO	1,147.5	1,390.2	413.7	1,230.9
OKLAHOMA	327.4	317.9	190.3	601.8
OREGON	391.3	345.1	194.0	594.8
PENNSYLVANIA	1,288.5	1,271.1	697.2	1,490.9
RHODE ISLAND	66.1	82.4	30.5	95.9
SOUTH CAROLINA	155.6	387.9	326.4	665.3
SOUTH DAKOTA	51.2	92.0	56.4	116.0
TENNESSEE	256.7	435.6	317.5	681.8
TEXAS	1,617.8	2,231.3	1,270.1	2,231.9
UTAH	133.1	164.3	139.8	321.5
VERMONT	34.3	70.2	185.5	408.3
VIRGINIA	457.8	649.9	463.6	752.0
WASHINGTON	457.7	502.6	202.8	651.4
WEST VIRGINIA	75.5	173.3	188.7	277.8
WISCONSIN	347.1	498.1	495.5	919.3
WYOMING	71.8	137.2	98.9	177.5
DISTRICT OF COLUMBIA	231.0	76.4	187.5	201.5
TOTAL	$ 28,139.1	$ 33,197.6	$ 20,881.5	$ 37,894.6

TABLE 2: 1979 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
ALABAMA	$ 99.9	$ 111.1	$ 1,092.4
ALASKA	23.1	25.9	550.9
ARIZONA	157.8	179.9	2,257.7
ARKANSAS	124.3	142.1	1,261.3
CALIFORNIA	1,176.4	1,162.7	19,128.2
COLORADO	333.1	241.3	2,908.1
CONNECTICUT	80.1	72.9	1,805.6
DELAWARE	35.5	33.0	363.0
FLORIDA	720.2	774.4	10,797.5
GEORGIA	236.2	227.7	3,586.2
HAWAII	80.0	89.6	1,912.0
IDAHO	47.7	58.0	703.0
ILLINOIS	318.8	294.4	4,619.5
INDIANA	184.8	198.5	2,133.0
IOWA	106.1	111.6	1,384.3
KANSAS	100.4	103.6	1,279.7
KENTUCKY	124.9	126.1	1,767.3
LOUISIANA	169.8	160.9	2,424.0
MAINE	77.6	77.6	936.6
MARYLAND	143.7	153.5	2,131.2
MASSACHUSETTS	162.7	164.6	3,327.2
MICHIGAN	451.9	385.1	4,738.0
MINNESOTA	314.4	254.6	3,357.4
MISSISSIPPI	78.1	86.8	861.7
MISSOURI	237.4	232.6	3,270.1
MONTANA	59.6	60.0	545.2
NEBRASKA	86.2	88.3	923.1
NEVADA	157.8	157.7	2,690.8
NEW HAMPSHIRE	93.1	73.4	868.1
NEW JERSEY	246.5	248.8	3,750.1

TABLE 2: 1979 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
NEW MEXICO	89.9	80.3	986.5
NEW YORK	511.8	492.9	9,487.8
NORTH CAROLINA	269.3	268.0	3,041.5
NORTH DAKOTA	35.2	45.4	527.4
OHIO	336.4	340.9	4,859.6
OKLAHOMA	186.4	181.7	1,805.5
OREGON	154.8	150.6	1,830.6
PENNSYLVANIA	435.8	429.2	5,612.7
RHODE ISLAND	25.2	27.4	327.5
SOUTH CAROLINA	164.3	173.3	1,872.8
SOUTH DAKOTA	34.5	38.0	388.1
TENNESSEE	180.3	183.5	2,055.4
TEXAS	673.3	651.7	8,676.1
UTAH	99.6	91.1	949.4
VERMONT	98.4	82.7	879.4
VIRGINIA	200.8	208.9	2,733.1
WASHINGTON	207.0	186.6	2,208.1
WEST VIRGINIA	85.8	83.6	884.7
WISCONSIN	352.1	252.4	2,864.5
WYOMING	67.3	55.1	607.8
DISTRICT OF COLUMBIA	36.5	34.7	767.7
TOTAL	$ 10,472.8	$ 10,153.7	$140,739.5

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

1979 TRAVEL-GENERATED BUSINESS RECEIPTS

Travel-generated business receipts are defined as travel expenditures less federal, state, local and territorial retail sales and excise taxes. They are useful for comparing travel-generated impact to data on business receipts from industry and other sources.

Table 3: Travel-generated Business Receipts in the U.S., 1979

Industry Category	Business receipts (billions)	Percent of U.S. total
Public transportation	$ 26.5	20.0%
Auto transportation	29.8	22.4
Lodging	20.2	15.2
Food service	36.2	27.3
Entertainment and recreation	10.3	7.8
Incidental purchases	9.7	7.3
U.S. Total	$132.8	100.0%
U.S. Territories	0.8	
Foreign Visitor-generated	7.9	
Grand Total	$141.5	

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center

In 1979, businesses in the 50 states and the District of Columbia received nearly $133 billion in receipts generated by U.S. travelers. This is a 14.7 percent increase over the total for 1978.

As indicated in Table 3, the food service industry accounted for a greater share of total business receipts generated by U.S. travelers than any other industry. Those businesses selling incidental goods and services to U.S. travelers in 1979 garnered the smallest share of the total receipts dollar.

Comparing travel-generated business receipts to travel-expenditures in each category reveals the varying levels of sales taxation prevailing in different industry segments. For example, more than 98 percent of travel expenditures on entertainment and recreation become business receipts, indicating retail sales taxes are relatively low and or nonexistent on this activity. On the other hand, less than 90 percent of travel expenditures on auto transportation away from home become business receipts. This is a product of the relatively high rate of gasoline excise taxes levied by federal, state, and sometimes local governments. Similar ratios for other categories range from 94 to 98 percent.

Based upon a special study prepared for the U.S. Travel Service, business receipts generated by foreign visitors in this country totaled $7.93 billion.[4] This is a 21 percent increase over 1978. Also based on this study, business receipts generated by U.S. travelers in U.S. territories totaled approximately $830 million.

The grand total for business receipts generated by all travelers in the U.S. and its territories during 1979 is $141.5 billion. This is a 15 percent increase of over the $122.8 billion in total travel-generated business receipts in 1978.

Table 4 shows travel-generated business receipts in six categories by state visited in 1979. The ranking of states here is quite similar to that for travel expenditures in Table 2. California is first with $17.9 billion in travel-generated business receipts, followed by Florida with $10.2 billion. Thirty-four states in all show business receipts from travelers of over one billion dollars or more.

At the other end of the scale, four states are estimated to have less than $500 million such receipts in 1979. Rhode Island is last in this regard with $304 million.

California posted the highest rate of growth in travel-generated business receipts over 1978, 26. percent. Arizona and Connecticut and Nevada followed with 22 percent. Alaska, Maine and Nebraska each showed growth rates of less than six percent.

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[4]U.S. Travel Data Center, "The Economic Impact of Foreign Visitor Spending in the United States," Washington, D.C., 1980, 33 pp.

TABLE 4: 1979 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 134.7	$ 205.0	$ 163.5	$ 324.1
ALASKA	176.0	94.6	73.6	140.3
ARIZONA	407.4	500.9	353.0	596.0
ARKANSAS	77.0	253.7	158.7	449.3
CALIFORNIA	5,142.1	4,042.7	2,226.2	4,180.8
COLORADO	538.9	422.0	467.6	766.9
CONNECTICUT	330.1	847.2	84.3	242.7
DELAWARE	29.8	45.5	79.5	128.2
FLORIDA	1,604.7	1,871.6	2,397.5	2,923.1
GEORGIA	510.6	1,202.1	413.6	808.2
HAWAII	484.9	253.2	503.6	412.0
IDAHO	78.8	108.2	101.3	279.7
ILLINOIS	1,156.8	1,255.4	374.5	970.4
INDIANA	345.2	479.3	218.2	595.8
IOWA	256.8	307.4	140.1	393.0
KANSAS	197.3	388.8	105.0	317.4
KENTUCKY	179.8	643.4	168.1	418.8
LOUISIANA	406.0	657.1	257.7	628.4
MAINE	91.5	100.8	253.4	294.6
MARYLAND	634.5	254.6	231.5	600.0
MASSACHUSETTS	798.7	878.7	510.2	605.3
MICHIGAN	818.0	833.7	838.6	1,201.4
MINNESOTA	538.4	695.0	516.4	874.1
MISSISSIPPI	96.7	191.8	88.6	277.2
MISSOURI	598.6	817.1	505.3	709.5
MONTANA	17.9	94.0	102.7	196.0
NEBRASKA	138.0	187.1	82.7	292.1
NEVADA	303.8	562.4	639.6	772.1
NEW HAMPSHIRE	59.9	112.3	254.4	253.9
NEW JERSEY	1,103.7	403.3	561.3	998.4

TABLE 4: 1979 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	136.0	175.5	122.6	334.8
NEW YORK	1,996.7	2,203.6	1,448.4	2,250.9
NORTH CAROLINA	323.2	647.1	491.1	905.3
NORTH DAKOTA	78.4	163.9	37.8	136.9
OHIO	1,081.8	1,260.9	396.9	1,179.0
OKLAHOMA	307.4	285.8	185.5	582.1
OREGON	366.5	314.6	194.0	594.8
PENNSYLVANIA	1,219.1	1,119.1	668.5	1,406.5
RHODE ISLAND	62.1	71.2	29.0	90.5
SOUTH CAROLINA	148.2	341.3	316.6	639.7
SOUTH DAKOTA	48.3	81.2	54.5	111.0
TENNESSEE	244.4	390.5	301.1	645.0
TEXAS	1,524.8	2,041.5	1,230.7	2,130.7
UTAH	124.3	144.3	135.3	306.5
VERMONT	32.9	61.2	181.1	388.8
VIRGINIA	435.6	584.2	446.4	719.7
WASHINGTON	431.2	448.9	194.0	620.1
WEST VIRGINIA	71.7	153.7	186.3	269.7
WISCONSIN	328.5	446.9	486.9	883.9
WYOMING	67.9	121.8	96.2	171.5
DISTRICT OF COLUMBIA	217.3	66.0	173.6	191.9
TOTAL	$ 26,502.1	$ 29,832.1	$ 20,247.2	$ 36,209.0

TABLE 4: 1979 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
ALABAMA	$ 94.8	$ 105.4	$ 1,027.5
ALASKA	23.1	25.9	533.5
ARIZONA	150.5	170.7	2,178.5
ARKANSAS	120.7	138.0	1,197.4
CALIFORNIA	1,176.4	1,096.5	17,864.7
COLORADO	333.1	230.6	2,759.1
CONNECTICUT	80.1	68.1	1,652.5
DELAWARE	35.5	32.8	351.3
FLORIDA	692.5	744.6	10,234.0
GEORGIA	228.2	219.9	3,382.6
HAWAII	76.9	86.2	1,816.8
IDAHO	46.3	56.3	670.6
ILLINOIS	318.8	280.7	4,355.8
INDIANA	177.6	190.9	2,007.0
IOWA	103.0	108.3	1,308.6
KANSAS	97.3	100.4	1,206.2
KENTUCKY	124.9	120.1	1,655.1
LOUISIANA	161.4	153.0	2,263.6
MAINE	77.6	73.9	891.8
MARYLAND	136.9	146.2	2,003.7
MASSACHUSETTS	162.7	156.8	3,112.4
MICHIGAN	451.9	370.3	4,513.9
MINNESOTA	302.3	244.7	3,170.9
MISSISSIPPI	78.1	83.4	815.8
MISSOURI	228.0	223.4	3,081.9
MONTANA	59.6	60.0	530.2
NEBRASKA	83.4	85.4	868.7
NEVADA	157.8	153.9	2,589.6
NEW HAMPSHIRE	93.1	73.4	847.0
NEW JERSEY	234.8	237.0	3,538.5

TABLE 4: 1979 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
NEW MEXICO	86.5	77.3	932.7
NEW YORK	478.4	460.6	8,838.6
NORTH CAROLINA	269.3	257.7	2,893.7
NORTH DAKOTA	33.9	43.7	494.6
OHIO	336.4	326.6	4,581.6
OKLAHOMA	180.3	175.7	1,716.8
OREGON	154.8	150.6	1,775.3
PENNSYLVANIA	435.8	404.9	5,253.9
RHODE ISLAND	25.2	25.8	303.8
SOUTH CAROLINA	164.3	166.6	1,776.7
SOUTH DAKOTA	33.0	36.3	364.3
TENNESSEE	180.3	173.6	1,934.9
TEXAS	673.3	622.1	8,223.1
UTAH	94.9	86.8	892.1
VERMONT	95.6	80.3	839.9
VIRGINIA	200.8	200.8	2,587.5
WASHINGTON	197.0	177.7	2,068.9
WEST VIRGINIA	83.3	81.1	845.8
WISCONSIN	338.5	242.7	2,727.4
WYOMING	65.0	53.3	575.7
DISTRICT OF COLUMBIA	34.7	33.0	716.5
TOTAL	$ 10,268.6	$ 9,714.0	$132,773.0

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE; U.S. TRAVEL DATA CENTER

1979 TRAVEL-GENERATED PAYROLL

The travel expenditures of U.S. residents directly generated over $31 billion in payroll income in 1979. Table 5 indicates the distribution of travel-generated payroll among broad industry categories.

Table 5: Travel-generated Payroll in the U.S., 1979

Industry Category	Payroll (billions)	Percent of U.S. Total
Public transportation	$8.53	27.2%
Auto transportation	2.69	8.6
Lodging	5.02	16.0
Food Service	9.68	30.9
Entertainment and Recreation	3.05	9.7
Incidental Purchases	1.40	4.5
Travel Arrangement	0.98	3.1
U.S. generated Total	31.34	100.0%
U.S. Territories	0.19	
Foreign Visitor-generated	1.81	
Grand Total	$33.34	

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center

Travel expenditures by U.S. residents generated more than $31 billion in wage and salary, or payroll, income in 1979 for American workers. This is a 12 percent increase over the comparable 1978 figure.

Food service accounted for 31 percent of the U.S. total in 1979. The food service payroll share is considerably less than the food service employment share, however. This is due to relatively low reported remuneration per job in the eating and drinking place industry. This reflects the part-time nature of much employment in food service, as well as the wage structure.

On the other hand, the high wage structure of the public transportation industry is reflected in the sector's share of payroll versus employment. Whereas public transportation employed 11 percent of travel-generated employees, it accounted for over 27 percent of payroll. Other sectors show about the same proportion of travel-generated employment as payroll.

On the average, the ratio of payroll to employment for U.S. travel-generated jobs was $7,520 per job in 1979, up from $6,850 in 1978. The average ranged from $18,300 per job in public transportation to $4,900 per job in food service. These figures reflect not only the average hourly wage in each sector, but also the number of hours worked per job per year. Food service and lodging employment indicate relatively low average payroll per job primarily because of the seasonal nature of the businesses and part-time nature of the jobs.

Table 6 indicates the total payroll generated by U.S. travelers in each of the 50 states and the District of Columbia during 1979. California leads with $4.5 billion in travel-generated payroll, followed by Florida with $2.4 billion. In all eight states show more than one billion dollars in travel-generated payroll.

Three states show less than $100 million in travel-generated payroll during 1979. South Dakota indicates the smallest payroll at $75 million, while Rhode Island fared slightly better at $79 million.

Examination of data provided by the U.S. territories of American Samoa, Guam, the Marianas, Puerto Rico and the Virgin Islands indicates that U.S. traveler spending in these areas generated $190 million in payroll income.

In a special study for the U.S. Travel Service, the Data Center found that foreign visitor spending in the U.S. generated over $1.8 billion in payroll income for U.S. residents.[5]

Adding together the wage and salary income produced by U.S. and foreign travelers in the fifty states, the District of Columbia, and the five territories in 1979 produces a total of $33 billion dollars in travel-generated payroll. This accounted for 2.7 percent of total wage and salary disbursements for the nation, and 1.5 percent of total personal income in 1979.

Travel-generated payroll grew 12 percent in 1979 over the previous year, about the same increase posted by total national wage and salary disbursements. The gross payroll for travel arrangement employees grew fastest among the major industry sectors, at nearly 20 percent. This reflects, of course, both rising pay scales and additional employees. Travel-generated

payroll for those employed in businesses where travelers make incidental purchases showed the slowest rate of increase at 4 percent.

California indicates the fastest increase in travel-generated payroll with an increase of nearly 24 percent over 1978. Texas and Hawaii followed with growth rates of 17 percent in this measure. Arkansas and Maine showed the lowest rates of growth for the year, at about three percent.

Appendix C shows the revised estimates for 1977 and 1978 travel-generated payroll for the following states: Maryland, Nevada, Vermont, Virginia and the District of Columbia. The overall total for the U.S. is also revised downward by 1.3.

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[5] Ibid.

TABLE 6: 1979 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 42.2	$ 15.2	$ 40.0	$ 81.8
ALASKA	56.5	12.5	18.6	41.4
ARIZONA	112.4	37.5	81.0	157.1
ARKANSAS	21.7	19.7	34.7	113.4
CALIFORNIA	1,667.4	365.9	536.7	1,192.8
COLORADO	169.2	35.2	123.8	213.8
CONNECTICUT	124.0	97.1	26.0	67.2
DELAWARE	31.4	3.2	20.4	32.3
FLORIDA	496.9	154.1	578.9	757.7
GEORGIA	162.9	120.2	116.5	208.7
HAWAII	160.3	32.7	149.3	122.4
IDAHO	24.2	8.0	28.5	71.0
ILLINOIS	403.8	126.9	109.7	255.1
INDIANA	128.5	38.6	58.9	153.3
IOWA	78.3	26.9	36.1	97.2
KANSAS	61.5	35.8	28.6	83.2
KENTUCKY	57.5	57.4	42.9	108.0
LOUISIANA	134.7	59.7	76.4	166.5
MAINE	29.0	7.7	55.3	74.9
MARYLAND	217.5	22.9	62.2	156.6
MASSACHUSETTS	264.7	96.2	125.0	169.0
MICHIGAN	257.4	64.2	166.1	311.0
MINNESOTA	169.1	58.2	116.5	243.2
MISSISSIPPI	26.2	14.1	24.7	69.7
MISSOURI	187.3	72.1	118.0	188.7
MONTANA	5.9	7.2	23.0	48.1
NEBRASKA	41.6	15.5	22.4	73.4
NEVADA	99.0	49.1	196.1	210.8
NEW HAMPSHIRE	15.8	7.8	50.1	64.4
NEW JERSEY	354.1	35.2	139.3	261.1

TABLE 6: 1979 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	44.3	13.5	29.7	86.2
NEW YORK	670.8	209.5	364.4	652.3
NORTH CAROLINA	89.4	53.8	102.1	237.2
NORTH DAKOTA	23.1	15.4	9.3	35.7
OHIO	321.4	118.0	113.3	306.0
OKLAHOMA	97.6	21.7	45.0	153.5
OREGON	116.2	25.0	41.6	155.0
PENNSYLVANIA	413.2	101.2	172.7	358.2
RHODE ISLAND	27.1	5.2	7.9	24.5
SOUTH CAROLINA	42.4	25.7	75.9	158.3
SOUTH DAKOTA	14.9	6.3	11.7	28.7
TENNESSEE	68.9	29.1	79.4	166.3
TEXAS	460.3	191.0	298.4	574.6
UTAH	40.9	10.1	30.2	81.6
VERMONT	8.2	4.5	43.3	101.7
VIRGINIA	120.8	56.8	107.2	188.5
WASHINGTON	132.3	39.8	52.0	173.5
WEST VIRGINIA	21.8	12.1	47.0	68.1
WISCONSIN	97.1	33.5	97.4	227.2
WYOMING	19.9	9.6	21.9	42.9
DISTRICT OF COLUMBIA	102.8	6.6	63.5	61.5
TOTAL	$ 8,534.4	$ 2,685.2	$ 5,019.6	$ 9,675.3

TABLE 6: 1979 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	$ 26.9	$ 15.5	$ 2.8	$ 224.4
ALASKA	5.8	3.7	4.0	142.5
ARIZONA	45.6	23.9	9.4	466.9
ARKANSAS	31.6	17.5	1.5	240.1
CALIFORNIA	368.6	161.5	181.3	4,474.2
COLORADO	89.9	32.4	14.3	878.6
CONNECTICUT	20.5	9.6	26.6	371.0
DELAWARE	9.0	4.2	1.0	101.5
FLORIDA	227.5	109.1	50.7	2,374.9
GEORGIA	73.1	33.2	8.4	723.0
HAWAII	25.8	11.5	36.0	538.0
IDAHO	12.2	7.5	2.1	153.5
ILLINOIS	89.5	42.8	63.7	1,091.5
INDIANA	51.7	26.1	7.3	464.4
IOWA	26.8	15.0	5.3	285.6
KANSAS	25.6	13.7	6.4	254.8
KENTUCKY	33.3	16.7	2.7	318.5
LOUISIANA	50.3	23.1	8.1	518.8
MAINE	21.8	8.8	1.4	198.9
MARYLAND	45.8	21.2	15.0	541.2
MASSACHUSETTS	47.3	21.9	41.8	765.9
MICHIGAN	124.8	55.1	27.9	1,006.5
MINNESOTA	95.8	35.4	16.9	735.1
MISSISSIPPI	18.0	11.4	2.1	166.2
MISSOURI	75.8	33.7	18.8	694.4
MONTANA	16.2	7.8	1.7	109.9
NEBRASKA	22.7	11.4	3.1	190.1
NEVADA	51.9	20.9	6.8	834.6
NEW HAMPSHIRE	25.4	8.7	2.6	174.8
NEW JERSEY	75.1	33.3	34.4	932.5

TABLE 6: 1979 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	23.1	10.3	2.2	209.3
NEW YORK	156.4	73.0	154.9	2,281.3
NORTH CAROLINA	75.5	37.4	6.2	601.6
NORTH DAKOTA	8.3	5.7	.9	98.4
OHIO	98.6	49.4	22.3	1,029.0
OKLAHOMA	48.1	23.1	4.8	393.8
OREGON	46.8	19.3	10.3	414.2
PENNSYLVANIA	127.5	59.4	37.9	1,270.1
RHODE ISLAND	7.5	3.5	3.3	79.0
SOUTH CAROLINA	43.3	24.6	2.8	373.0
SOUTH DAKOTA	8.4	4.7	.6	75.3
TENNESSEE	49.5	26.1	6.6	425.9
TEXAS	193.4	88.7	51.6	1,858.0
UTAH	32.3	11.9	4.9	211.9
VERMONT	30.9	9.7	1.1	199.4
VIRGINIA	59.1	28.6	11.5	572.5
WASHINGTON	58.8	26.7	26.6	509.7
WEST VIRGINIA	20.3	10.9	1.2	181.4
WISCONSIN	101.0	35.7	14.3	606.2
WYOMING	18.0	6.7	1.0	120.0
DISTRICT OF COLUMBIA	8.9	5.4	9.6	258.3
TOTAL	$ 3,050.0	$ 1,397.4	$ 978.7	$ 31,340.6

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

1979 TRAVEL-GENERATED EMPLOYMENT

American travel expenditures in the U.S. directly generated nearly 4.2 million jobs in the U.S. in 1979, according to the TEIM. This is a 2.0 percent increase over the number of jobs directly attributable to travel in 1979. This was significantly slower than the 3.6 percent growth rate of total U.S. non-agricultural payroll employment in 1979.

Table 7: Travel-generated Employment in the U.S., 1979

Industry Category	Employment (thousands)	Percent of U.S. Total
Public transportation	466	11.2%
Auto transportation	287	6.9
Lodging	732	17.6
Food Service	1,980	47.5
Entertainment and recreation	428	10.3
Incidental purchases	180	4.3
Travel arrangement	92	2.2
U.S. Total	4,165	100.0%
U.S. Territories	27	
Foreign Visitor-generated	264	
Grand Total	4,456	

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center

Table 7 shows the distribution of U.S. domestic travel-generated jobs among broad industry categories. Food service accounted for over 47 percent of travel-generated employment in 1979, and almost 2 million jobs. As noted earlier, some of the travel-generated food service employment occurs in the commercial lodging industry, while the bulk is found in separate eating and drinking places.

Lodging was the second largest job category with 18 percent of total travel-generated employment. All transportation (public, and private auto) accounted for 18 percent of the total.

The Data Center estimates that spending by U.S. visitors to the five U.S. territories generated 27 thousand jobs in 1979. The special study for the U.S. Travel Service noted earlier indicates that 264 thousand U.S. jobs were directly attributable to foreign visitor spending in the U.S. during 1979. However, this employment cannot be distributed among the states as U.S. travel-generated employment can.

In total, U.S. and foreign traveler spending in the states, the territories and the District of Columbia produced 4.5 million jobs in 1979. These jobs accounted for 5.0 percent of total non-agricultural payroll employment in the U.S. during that year.

Table 8 provides perspectives on travel-generated employment in each of the states. As a proportion of total non-agricultural payroll employment, travel-generated jobs are highest in Vermont and Nevada, where they account for over 19 percent of total employment. A total of four states show more than 10 percent of employment generated by U.S. travel.

Illinois shows the lowest proportion of total non-agricultural employment directly generated by travel. In general, the larger, more industrialized states are characterized by more diversified economies than smaller states, with a number of different industries providing more employment than travel and tourism.

This is highlighted in the column showing travel-generated employment as an industry ranked among other industries in 1979. Here, total travel-generated employment in a state is compared to employment in each industry at the two-digit level of Standard Industrial Classifications. Agriculture is treated as a single such industry, but government is excluded due to lack of consistent data at the two-digit level.[6]

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[6]For a detailed discussion of the method used to rank travel-generated employment in the states, see: Douglas C. Frechtling, "Travel as an Employer in the State Economy," Journal of Travel Research, Vol. XV, No. 4 (Spring, 1977), pp. 8-12.

Table 8: Travel Generated Employment, Share of Total Employment, and Rank Among Private Industries, by State, 1979.

	Travel-generated employment (thousands)	Travel-generated employment as percent of total employment*	Travel-generated employment rank **
Alabama	37.1	2.7	7
Alaska	11.3	6.8	1
Arizona	68.3	7.0	1
Arkansas	44.7	6.0	2
California	473.8	4.9	2
Colorado	96.7	7.9	1
Connecticut	40.8	2.9	10
Delaware	15.2	5.9	2
Florida	316.4	9.4	1
Georgia	97.1	4.6	2
Hawaii	58.7	14.9	1
Idaho	29.3	8.7	2
Illinois	122.4	2.5	11
Indiana	70.1	3.1	8
Iowa	52.4	4.6	4
Kansas	42.3	4.5	4
Kentucky	49.2	4.0	3
Louisiana	69.8	4.6	3
Maine	34.1	8.2	1
Maryland	67.7	4.0	3
Massachusetts	90.4	3.5	5
Michigan	138.3	3.8	5
Minnesota	114.4	6.5	3
Mississippi	29.1	3.5	4
Missouri	96.6	4.8	3
Montana	21.6	7.6	2
Nebraska	35.1	5.6	3
Nevada	73.2	19.1	1
New Hampshire	30.1	8.0	1
New Jersey	104.4	3.4	5
New Mexico	34.9	7.6	1
New York	237.7	3.3	3
North Carolina	97.7	4.1	3
North Dakota	17.7	7.2	3
Ohio	137.3	3.1	8

Table 8: Travel Generated Employment, Share of Total Employment, and Rank Among Private Industries, by State, 1979 (Continued).

	Travel-generated employment (thousands)	Travel-generated employment as percent of total employment*	Travel-generated employment rank**
Oklahoma	59.8	5.5	2
Oregon	61.1	5.8	3
Pennsylvania	177.7	3.7	3
Rhode Island	11.3	2.8	6
South Carolina	65.1	5.5	2
South Dakota	15.2	6.3	3
Tennessee	68.1	3.8	4
Texas	240.6	4.3	3
Utah	37.7	6.9	1
Vermont	38.2	19.3	1
Virginia	83.9	4.0	2
Washington	65.1	4.1	4
West Virginia	30.1	4.6	3
Wisconsin	109.3	5.6	4
Wyoming	20.7	10.3	1
District of Columbia	24.7	4.0	3
U.S. Overall	4,164.5	4.6	2

*Travel-generated employment as percent of total non-agricultural payroll.

**Total travel-generated employment rank among all private industry tow-digit SIC codes, with farm workers treated as a single code.

Source: U.S. Travel Data Center

Travel away from home generates directly more jobs than any other private industry in 12 states, and is among the top three private employers in 36 states. In no state does it rank lower than eleventh among the 69 private-sector industries investigated. At the national level, employment directly generated by travel away from home was exceeded only by the health services industry in 1979.

The ratio of travel expenditures to travel-generated employment may be considered a measure of the amount of spending required to support one job in the travel industry. According to the TEIM, ratio for 1979 is $33,800 per job for U.S. travel-generated employment, up 13 percent from the $30,000 estimated for 1978.

Table 9 shows employment in each of the fifty states and the District of Columbia generated by U.S. travel spending in 1979. California includes more travel-generated jobs than any other state, with more than eleven percent of the national total. Florida follows with nearly eight percent. In all, eleven states indicate travel-generated employment exceeding 100 thousand jobs for the year.

At the other end of the scale, Alaska and Rhode Island appear as the states with the least number of travel-generated jobs, with little more than eleven thousand each. In all only 22 states are estimated to have fewer than fifty thousand travel-generated jobs during 1979.

In a number of states, foreign visitor spending generated a substantial number of jobs. The impact of these visitors cannot now be distributed among states, so travel-generated employment is understated in these states.

Special studies for the U.S. Travel Service indicate that in 1979, foreign visitor spending in the U.S. directly generated 264 thousand U.S. jobs, while U.S. traveler spending in the territories supported another 27 thousand jobs. This provides a grand total of nearly 4.5 million jobs directly attributable to travel spending in the U.S. and its territories in 1979. This is 2.1 percent increase over 1978.

Among the broad industry categories, employment in travel arrangement showed the greatest percentage growth over 1978, up more than 11 percent. Public transportation employment attributable to U.S. travel grew 7.7 percent, the second highest rate of growth.

Travel-generated employment in entertainment and recreation, and in businesses providing incidental purchases to U.S. travelers actually declined nearly 4 percent. The depressing effects of the gasoline shortages and rapid price inflation in 1979 re-

strained travel spending in these two sectors from growing fast enough to offset wage increases. As a consequence, employment attributable to travel fell.

Among the states, California showed the highest growth rate in travel-generated employment at over 11 percent, followed by Nevada. Nebraska and Virginia showed declines of over 5 percent in the number of jobs directly attributable to travel during 1979.

Appendix C shows revised travel-generated employment estimates for 1978 for the following states: Louisiana, Maryland, Nevada, Vermont, Virginia and the District of Columbia. Total travel-generated employment is revised downward by 0.9 percent.

TABLE 9: 1979 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	3.0	2.0	7.1	17.9
ALASKA	2.7	1.0	1.8	4.5
ARIZONA	6.2	4.5	12.3	34.0
ARKANSAS	1.7	2.7	6.2	26.5
CALIFORNIA	77.0	31.6	72.0	216.2
COLORADO	8.6	4.2	20.3	47.1
CONNECTICUT	8.2	9.1	3.8	13.6
DELAWARE	2.1	.4	3.3	7.4
FLORIDA	26.1	17.0	85.2	142.0
GEORGIA	7.8	13.5	18.0	42.9
HAWAII	7.9	4.1	16.1	21.5
IDAHO	1.9	1.0	5.1	17.4
ILLINOIS	21.2	11.9	14.7	50.8
INDIANA	8.4	4.5	10.4	34.1
IOWA	5.8	3.2	7.7	26.5
KANSAS	4.5	4.0	5.7	20.3
KENTUCKY	3.5	6.8	7.7	23.0
LOUISIANA	8.0	6.5	11.7	33.0
MAINE	2.2	1.0	9.3	16.5
MARYLAND	14.8	2.4	9.9	29.8
MASSACHUSETTS	14.0	9.9	18.2	35.4
MICHIGAN	15.9	6.8	22.8	66.5
MINNESOTA	8.1	6.6	18.2	59.2
MISSISSIPPI	2.1	1.8	4.3	16.0
MISSOURI	9.9	8.0	18.1	43.6
MONTANA	.4	1.0	4.3	11.3
NEBRASKA	2.7	1.9	4.8	18.8
NEVADA	6.0	5.4	18.7	35.6
NEW HAMPSHIRE	1.3	1.0	7.3	15.2
NEW JERSEY	19.6	3.4	16.7	48.1

TABLE 9: 1979 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	3.2	1.8	5.4	19.0
NEW YORK	31.1	21.3	40.6	108.2
NORTH CAROLINA	5.9	6.5	16.2	51.5
NORTH DAKOTA	1.5	1.8	2.0	9.4
OHIO	18.3	11.7	19.9	65.0
OKLAHOMA	5.2	2.7	7.4	33.5
OREGON	7.0	3.0	7.6	32.7
PENNSYLVANIA	25.0	12.1	27.9	82.5
RHODE ISLAND	1.9	.7	1.3	5.4
SOUTH CAROLINA	3.4	3.5	12.8	34.8
SOUTH DAKOTA	1.0	.8	2.6	8.1
TENNESSEE	4.4	3.5	12.1	36.8
TEXAS	24.4	20.1	45.1	109.2
UTAH	2.4	1.4	5.3	20.6
VERMONT	.6	.6	6.9	22.7
VIRGINIA	6.5	6.4	16.5	40.0
WASHINGTON	6.4	4.2	7.9	33.5
WEST VIRGINIA	1.9	1.5	6.9	15.0
WISCONSIN	6.5	4.1	15.5	58.4
WYOMING	1.5	1.2	3.8	9.8
DISTRICT OF COLUMBIA	5.9	.7	6.3	9.5
TOTAL	465.6	286.8	731.7	1,980.3

TABLE 9: 1979 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	4.7	2.1	.3	37.1
ALASKA	.7	.3	.3	11.3
ARIZONA	7.1	3.1	1.1	68.3
ARKANSAS	5.0	2.4	.2	44.7
CALIFORNIA	40.7	19.1	17.2	473.8
COLORADO	10.6	4.4	1.5	96.7
CONNECTICUT	2.6	1.4	2.1	40.8
DELAWARE	1.3	.6	.1	15.2
FLORIDA	27.1	13.9	5.1	316.4
GEORGIA	9.7	4.4	.8	97.1
HAWAII	3.8	1.4	3.9	58.7
IDAHO	2.7	1.0	.2	29.3
ILLINOIS	12.8	5.5	5.5	122.4
INDIANA	8.3	3.6	.8	70.1
IOWA	6.3	2.3	.6	52.4
KANSAS	5.2	1.9	.7	42.3
KENTUCKY	5.5	2.4	.3	49.2
LOUISIANA	7.0	2.9	.7	69.8
MAINE	3.7	1.2	.2	34.1
MARYLAND	6.5	2.9	1.4	67.7
MASSACHUSETTS	6.1	3.0	3.8	90.4
MICHIGAN	17.1	6.5	2.7	138.3
MINNESOTA	16.1	4.7	1.5	114.4
MISSISSIPPI	3.1	1.6	.2	29.1
MISSOURI	11.3	4.1	1.6	96.6
MONTANA	3.4	1.0	.2	21.6
NEBRASKA	4.9	1.7	.3	35.1
NEVADA	4.5	2.3	.7	73.2
NEW HAMPSHIRE	3.8	1.2	.3	30.1
NEW JERSEY	8.5	4.5	3.6	104.4

TABLE 9: 1979 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	3.8	1.4	.3	34.9
NEW YORK	45.1	8.7	12.7	237.7
NORTH CAROLINA	11.8	5.2	.6	97.7
NORTH DAKOTA	2.1	.8	.1	17.7
OHIO	13.8	6.4	2.2	137.3
OKLAHOMA	7.4	3.1	.5	59.8
OREGON	7.4	2.2	1.2	61.1
PENNSYLVANIA	18.3	8.0	3.9	177.7
RHODE ISLAND	1.1	.5	.4	11.3
SOUTH CAROLINA	6.8	3.5	.3	65.1
SOUTH DAKOTA	1.9	.7	.1	15.2
TENNESSEE	7.1	3.5	.7	68.1
TEXAS	26.7	10.6	4.5	240.6
UTAH	5.8	1.7	.5	37.7
VERMONT	6.0	1.3	.1	38.2
VIRGINIA	9.1	4.2	1.2	83.9
WASHINGTON	7.7	2.9	2.5	65.1
WEST VIRGINIA	3.2	1.5	.1	30.1
WISCONSIN	18.3	5.1	1.4	109.3
WYOMING	3.4	.9	.1	20.7
DISTRICT OF COLUMBIA	.9	.6	.8	24.7
TOTAL	427.8	180.2	92.1	4,164.5

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

1979 TRAVEL-GENERATED TAX RECEIPTS

Traveler purchases, and the business and personal income they generate, produce tax revenue for federal, state and local governments. The TEIM indicates that U.S. travelers directly generated nearly $15.5 billion in tax revenue in 1979, or three percent of the total tax revenue of all levels of government in that year. The glossary in Appendix B lists the types of taxes included in the TEIM for each level of government.

Table 10 indicates the distribution of travel-generated tax receipts among the three levels of government.

Table 10: Travel-generated Tax Receipts in the U.S., 1978.

Level of Government	Tax Receipts (billions)	Percent of U.S. Total
Federal	$ 8.265	53.3%
State	5.567	35.9
Local	1.667	10.8
U.S. generated Total	$15.499	100.0%
U.S. Territories	0.083	
Foreign Visitor-generated	0.908	
Grand Total	$16.490	

During 1979, travel-generated federal tax revenue accounted for over half of the combined total for all levels of government. State revenues attributable to travel produced nearly 36 percent of the total, while local taxes accounted for about 11 percent.

Comparison of this distribution to the distribution for all tax revenue indicates how successful each level of government is in obtaining tax revenue from travelers relative to the other levels. In fiscal 1979, the federal government collected 60 percent of all tax revenue collected by government in the U.S., states collected 24 percent, and local governments, 15 percent.[7] This indicates that the state governments are considerably more aggressive in taxing travel-related activities than the other levels.

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[7] U.S. Bureau of the Census, Governmental Finances in 1978-1979, U.S. Government Printing Office, Washington, D.C., 1980, p. 17.

Tax revenue generated by U.S. traveler spending in 1979 grew 15.5 percent over 1978, faster than the 12.0 percent growth in total tax revenue for all levels of government. Travel-generated state tax revenue grew almost 19 percent over 1978, faster than the comparable estimates for the federal government (up 17 percent) and local government (up 2 percent). This growth is, of course, the product of both rising travel expenditures and changing tax rates.

On the average, each dollar of U.S. travel spending generated 5.9 cents in federal tax revenue, 4.0 cents in state revenue and 1.2 cents in local revenue in 1979, for a total of 11 cents.

U.S. travel activity generated 2.6 percent of all federal tax revenue in fiscal 1979, 4.5 percent of state tax revenue, and 2.1 percent of local tax revenue. Overall, travel expenditures accounted for three percent of tax revenue for all levels of government in America during 1979.

The Data Center estimates that U.S. visitors to the five U.S. territories generated about $83 million in tax revenue. Based on the study prepared for the U.S. Travel Service referenced in the section on expenditures, the Data Center estimates that foreign visitors to the U.S. generated $908 million in federal, state and local tax revenue in 1979. The grand total for travel-generated tax revenue by all travelers in all states and territories is $16.5 billion for 1979.

Table 11 shows the tax receipts generated by U.S. travelers in the fifty states and the District of Columbia. The state and local receipts are the product of the individual tax structure prevailing in each jurisdiction and the structure of travel expenditures.

Appendix C. contains revised estimates of travel-generated tax revenues for the following states: Arizona, Arkansas, California, Connecticut, Delaware, Indiana, Louisiana, Maryland, Missouri, Nebraska, Nevada, Oklahoma, Tennessee, Texas, Vermont, Virginia, and the District of Columbia. Total travel-generated tax revenue is revised by 0.8 percent from the original published estimates.

TABLE 11: 1979 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
ALABAMA	$ 47.0	$ 44.3	$ 11.9	$ 103.2
ALASKA	36.4	24.9	5.5	66.8
ARIZONA	107.7	97.2	27.6	232.5
ARKANSAS	42.7	56.1	7.7	106.5
CALIFORNIA	1,193.7	772.1	280.8	2,246.6
COLORADO	207.2	89.5	48.5	345.2
CONNECTICUT	118.9	113.6	17.4	249.9
DELAWARE	32.8	12.5	2.0	47.3
FLORIDA	472.2	412.7	67.2	952.1
GEORGIA	173.1	143.9	31.7	348.7
HAWAII	117.0	73.7	11.7	202.4
IDAHO	34.1	27.9	5.0	67.0
ILLINOIS	358.4	156.8	55.6	570.8
INDIANA	119.9	92.4	17.1	229.4
IOWA	61.1	57.8	11.1	130.0
KANSAS	58.8	52.9	11.1	122.8
KENTUCKY	71.6	88.5	5.7	165.8
LOUISIANA	119.6	90.6	38.3	248.5
MAINE	37.6	39.9	8.3	85.8
MARYLAND	173.3	93.7	21.7	288.7
MASSACHUSETTS	211.5	171.7	49.0	432.2
MICHIGAN	338.6	175.1	42.4	556.1
MINNESOTA	226.2	158.8	26.7	411.7
MISSISSIPPI	28.7	42.7	8.5	79.9
MISSOURI	224.6	115.6	36.4	376.6
MONTANA	18.6	14.4	5.4	38.4
NEBRASKA	46.7	40.7	10.7	98.1
NEVADA	135.6	57.7	22.5	215.8
NEW HAMPSHIRE	36.2	16.7	8.8	61.7
NEW JERSEY	264.4	141.7	48.7	454.8

TABLE 11: 1979 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS) (CONTINUED)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
NEW MEXICO	41.5	40.1	4.3	85.9
NEW YORK	764.5	401.9	299.3	1,465.7
NORTH CAROLINA	131.8	113.5	28.4	273.7
NORTH DAKOTA	21.1	25.3	3.0	49.4
OHIO	341.8	163.5	47.4	552.7
OKLAHOMA	90.2	48.2	22.8	161.2
OREGON	104.3	36.9	17.1	158.3
PENNSYLVANIA	365.2	285.7	45.5	696.4
RHODE ISLAND	22.1	18.7	3.8	44.6
SOUTH CAROLINA	70.4	88.6	7.9	166.9
SOUTH DAKOTA	14.3	16.5	4.7	35.5
TENNESSEE	90.1	83.2	23.2	196.5
TEXAS	500.9	252.0	97.1	850.0
UTAH	45.9	43.8	12.3	102.0
VERMONT	30.8	43.6	9.9	84.3
VIRGINIA	116.9	100.4	36.7	254.0
WASHINGTON	122.7	94.2	16.5	233.4
WEST VIRGINIA	31.8	33.9	3.2	68.9
WISCONSIN	147.5	127.2	23.5	298.2
WYOMING	22.3	21.3	7.5	51.1
DISTRICT OF COLUMBIA	74.9	52.1	8.2	135.2
TOTAL	$ 8,265.2	$ 5,566.7	$ 1,667.3	$15,499.2

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

APPENDIX A: TRAVEL ECONOMIC IMPACT MODEL

Introduction

The Travel Economic Impact Model (TEIM) was developed by the U.S. Travel Data Center to provide annual estimates of the impact of the travel activity of U.S. residents on national, state and county economies in this country. It is a disaggregated model built upon estimates of 16 travel expenditure categories, their impact on 16 types of travel-related businesses at the retail level, and the business receipts, employment, personal income, and tax receipts that result.

The TEIM has the capability of estimating the economic impact of various types of travel, such as business and vacation, by transport mode and type of accommodations used, and other trip and traveler characteristics. While the benchmark Model estimates are primarily based on data gathered by the U.S. Bureau of the Census in 1977, it has been updated to provide estimates for succeeding years.

The TEIM has been used to develop estimates of 1977 and subsequent year travel expenditures and the effect of these expenditures on employment, payroll and tax revenue in each of the 50 states and the District of Columbia. The County Impact Component of the TEIM allows estimation of the economic impact of travel at the county and city level. The county-level estimates discussed in this report are derived from this component.

The estimates of economic impact contained herein were developed through a FLARES computer program designed by the staff of the U.S. Travel Data Center and the Computer Sciences Corporation of Rosslyn, Virginia.

Definition of Terms

There is no commonly-accepted definition of travel in use at this time. However, the industry appears to be converging on the concept that travel involves all activity related to trips to places outside the traveler's home area, or more specifically, places 50 miles or more away from home, except for commuting to and from work.[1] However, the principal data sources for measuring travel activity levels, the U.S. Census Bureau's 1972 and 1977 National Travel Surveys and economic censuses, used different definitions. Since these are the only comprehensive, large-sample survey sources of the travel activity in the U.S., the definitions of travel in these surveys are adopted for the purposes of this report.

For the purposes of the estimates herein, "travel" is defined as activities associated with all overnight trips away from home, and day-trips to places 100 miles or more away from the traveler's origin. This definition is largely coterminous with the 50-mile definition, but each definition excludes activity included by the other. The TEIM definition includes all overnight trips regardless of distance away from home, but excludes trips to places 50 to 100 miles away from home. The 50-mile definition excludes overnight trips to places less than 50 miles away from home, but includes day-trips of one-way distances 50 to 100 miles. Given these differences, it appears *a priori* that the total volume of travel expenditures associated with each definition is quite similar.

The word "tourism" is avoided in this report because of its vague meaning. Some define tourism as all travel away from home while others use the dictionary definition which limits tourism to personal or pleasure travel.

The "travel industry," as used herein, refers to the collection of 16 types of businesses that provide goods and services to the traveler or potential traveler at the retail level (see the Glossary). These business types are as defined by the Office of Management and Budget in its system of Standard Industrial Classifications (SIC).[2] In each case, the relevant SIC code is included.

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[1] See National Tourism Resources Review Commission, Destination U.S.A., Volume 2: Domestic Tourism, U.S. Government Printing Office, Washington, D.C., 1973, pp. 4-5; Frechtling, Douglas C., "Proposed Standard Definitions and Classifications for Travel Research," Marketing Travel and Tourism, Seventh Annual Conference Proceedings, The Travel Research Association, Salt Lake City, 1976, pp. 59-73.

[2] Office of Management and Budget, U.S. Executive Office of the President, Standard Industrial Classification Manual, 1972, U.S. Government Printing Office, Washington, D.C., 1973, 649 pp.

A "travel expenditure" is assumed to take place whenever a traveler exchanges money for an activity considered part of his trip. Total travel expenditures are broken down into 16 separate categories representing traveler purchases of goods and services at the retail level. Travel expenditures are allocated among states and counties by simulating where the exchange of money for goods or services actually took place. By their nature, some travel expenditures are assumed to occur at the traveler's origin, some at his destination, and some enroute.

"Economic impact" is represented by measures of spending, employment, payroll, business receipts and tax revenues generated by traveler spending. "Payroll" includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay and the value of payments in kind paid during the year to all employees. Payroll is reported before deductions for social security, income tax insurance, union dues, etc. This definition follows that used by the[3] U.S. Census Bureau in the 1977 Census of Service Industries.

"Employment" represents the number of jobs generated by traveler spending, both full- and part-time. As such, it is consistent with the U.S. Department of Labor series on non-agricultural payroll employment.[4] Tax revenues include corporate income, individual income, sales and gross receipts, and excise taxes by level of government.[5] Business receipts reflect travel expenditures less the sales and excise taxes imposed on those expenditures.

A more complete set of definitions appears in the Glossary of this volume.

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[3] U.S. Bureau of the Census, Census of Service Industries, 1977, Area Series, United States, U.S. Government Printing Office, Washington, D.C., 1979, p. A3.

[4] U.S. Department of Labor, Handbook of Labor Statistics, 1975, U.S. Government Printing Office, Washington, D.C., 1975, pp. 4-6.

[5] Advisory Commission on Intergovernmental Relations, State-local Finances: Significant Features and Suggested Legislation, 1972, U.S. Government Printing Office, Washington, D.C., 1972, passim, and later editions.

Description of the Model[6]

The basic data on travel activity levels (e.g., number of miles traveled by mode of transportation, the number of nights away from home spent by type of accommodation) are available from the 1977 National Travel Survey.[7] Through the TEIM's National Travel Expenditure Component (NTEC), the activity levels for trips to places within the United States are combined with the appropriate average costs of each unit of travel activity, (e.g., cost per mile by mode of transport, cost per night by type of accommodation), to produce estimates of the total amount spent on each of 16 categories of travel-related goods and services by state. For example, the number of nights spent by travel parties in commercial lodging in Maryland is multiplied by the average cost per night per travel party of staying in a commercial lodging facility in Maryland to obtain the estimate of traveler expenditures for hotel, motel and tourist court accommodations.

The expenditure data resulting from the National Travel Expenditure Component cover only those trips to places 100 miles or more away from home, the basic trip definition used in the 1977 National Travel Survey (NTS). Consequently, these results understate U.S. travel expenditures on all overnight trips and day-trips of 100 miles for two reasons. First, only 100-mile trips are included in the 1977 NTS and the expenditure estimates based upon it. Second the 1977 NTS may have underestimated travel activity, with resulting expenditure estimates based upon it underestimated as well.

In order to correct for these potential sources of underestimation, the results of the NTEC for each state are calibrated using estimates provided by the U.S. Census Bureau's 1977 Census of Service Industries (CSI).[8] The NTEC estimates of traveler spending for commercial accommodations are compared to the CSI estimates of hotel/motel receipts from room rentals, and the state travel expenditure estimates for each category are adjusted by the ratio of the CSI estimates of hotel/motel room rental receipts in a state to the NTEC estimates of travel spending on commercial accommodations in the state. The results are adjusted travel expenditures in each of the 16 categories for each state which represent expenditures on overnight trips away from home, and day trips to places 100 miles or more away from home.

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[6] For a detailed description of the TEIM, including equations and data sources, see Frechtling, Douglas C., et. al., Travel Economic Impact Model, Volume I: Final Economic Analysis Methodology, U.S. Travel Data Center, Washington, D.C., 1975, 108 pp.

[7] U.S. Bureau of the Census, 1977 Census of Transportation, National Travel Survey, U.S. Government Printing Office, Washington, D.C. 1979, 362 pp.

[8] U.S. Bureau of the Census, 1977 Census of Service Industries, Geographic Area Series, U.S. Government Printing Office, Washington, D.C., 1979.

The Economic Impact Component of the TEIM estimates travel-generated business receipts, employment, and payroll. Basically, the 16 types of travel expenditures are associated with 16 different types of travel-related businesses. For example, traveler spending on commercial lodging in a state is related to the business receipts, employment and payroll of hotels, motels and motor hotels (SIC 701) in the state. It is assumed that travel spending in each category, less sales and excise taxes, equals business receipts for the related business type as defined by the U.S. Census Bureau.

It is assumed that each job in a specific type of business in a state is supported by some amount of business receipts and that each dollar of wages and salaries is similarly supported by some dollar volume of business receipts. The ratios of employment to business receipts are computed for each industry in each state. These ratios are then multiplied by the total amount of business receipts generated by traveler spending in a particular type of business to obtain the measures of travel-generated employment and payroll of each type of business in each state. For example, the ratio of employees to business receipts in Maryland commercial lodging establishments is multiplied by traveler-generated business receipts of these establishments to obtain traveler-generated employment in commercial lodging. A similar process is used for the payroll estimates.

The Fiscal Impact Component of the TEIM is used to estimate traveler-generated tax revenues of federal, state and local governments. The yield of each type of tax is related to the best measure of the revelant tax base available for each state consistent with the output of the Economic Impact Component. The ratios of yield to base for each type of tax in each state is then applied to the appropriate primary level output to obtain estimates of tax receipts generated by travel. For example, the ratio of Maryland State personal income tax collections to payroll in the state is applied to total travel-generated payroll to obtain the estimate of state personal income tax receipts attributable to traveler spending in Maryland.

The 1977 benchmark estimates of travel expenditures, and travel-generated employment, payroll and federal, state and local tax revenue, are up-dated for each succesive year. Data from the U.S. Bureau of the Census, the Federal Aviation Administration, the Civil Aeronautics Board, Amtrak, the American Bus Association, the Federal Highway Administration, state revenue departments, the Data Center's annual National Travel Survey and other sources are used for this purpose. These data indicate the change in travel spending for each of the expenditure categories for each state over the previous year, as well as changes in the relationship of travel spending to employment, payroll and tax revenue. A new benchmark estimate will be computed when the results of the Census Bureau's 1982 National Travel Survey are available.

Limitations of the Study

This study is designed to indicate the impact of U.S. traveler expenditures on employment, payroll, business receipts and tax revenue in each of the states. These impact estimates reflect the limitations inherent in the definition of travel expenditures. Two important classes of travel-related expenses have not been estimated due to lack of sufficient data. Consumers purchase certain goods and services in anticipation of a trip away from home. These include sports equipment (tennis racquets, skis, scuba gear, etc.), clothing (tennis clothes, ski togs, bathing wear, etc.), travel books and guides, and services such as language lessons and lessons for participatory sports (tennis, skiing, underwater diving, etc.). Although the magnitude of these purchases in preparation for a trip cannot be quantified, it is probably significant relative to overall travel expenditures.

The second type of spending not covered due to lack of sound, relevant data is the purchase of major consumer durables generally related to outdoor recreation on trips. While recreational vehicles (campers, motor homes, trailers and mobile homes) are covered, spending for boats and boating supplies, and off-road recreational vehicles such as trail bikes, dune buggies and snowmobiles are not. Further research is required in this area to estimate the average spending on items such as these by travelers.

Certain states generate peculiar spending behavior relative to others. For example, traveler expenditures on gaming in Nevada comprise a substantial portion of tourist receipts, and contribute heavily to the state's economy. Data on such unusual spending is virtually unavailable, and thus these activities are not reflected in these estimates at this time.

Moreover, the TEIM records travel expenditures only for those states where travelers spent the night, originated, or were destined. Due to the nature of the Census Bureau's 1977 National Travel Survey, expenditures could not be allocated to states passed through in a single day. It is believed these expenditures may be quite significant to certain "bridge" states between major population concentrations and major destinations.

The trip definition inherent in this study also limits the estimates of economic impact somewhat. Specifically excluded are the economic effects of U.S. traveler expenditures in this country pursuant to traveling to a foreign destination. Also excluded is the impact of day-trips to places less than 100 miles from home. While these latter trips may be quite numerous, intuitively, they appear to involve little economic impact since lodging expenditures and virtually all common carrier spending are excluded. Meal, entertainment and recreation expenditures on these trips also seem relatively insignificant.

These travel expenditure and impact estimates are based on household surveys of travel activity. Consequently, they are subject to all of the sampling and non-sampling errors inherent in sample surveys.

Most travel expenditure data collected is on a "type of purchase" rather than "point of purchase" basis. This means there is some incongruity in matching spending on different goods and services while traveling with the receipts, employment and payroll of different types of businesses. For example, all spending for meals is assumed to take place in eating and drinking places (SIC 58), whereas some may actually occur in hotels or other commerical lodging places (701). This inconsistency does not appear to introduce major errors in the calculations and can only be corrected upon collection of point-of-purchase expenditure data.

Little is known about the type of purchases made in this country by foreign visitors. Consequently, these expenditures cannot be distributed among the states or among expenditure categories to determine precise impact. However, it should be recognized that the estimates contained herein significantly understate the impact of tourism in states which receive a substantial number of foreign visitors.

APPENDIX B

Glossary of Terms

GLOSSARY OF TERMS

Automobile Transportation Expenditure. This category includes a prorate share of the fixed costs of owning an automobile, truck, camper, or other recreational vehicle, such as insurance, license fees, tax, and depreciation costs. Also included are the variable costs of operating an automobile, truck, camper, or other recreational vehicle on a trip, such as gasoline, oil, tires, and repairs. The costs of renting an automobile or other motor vehicle are included in this category as well.

Automobile Transportation Industry. Automotive dealers and gasoline service stations (SIC 55); automotive rental and leasing without drivers (751).

Entertainment/Recreation Expenditure. Traveler spending on recreation facility user fees, admissions at amusement parks and attractions, attendance at nightclubs, movies, legitimate shows, sports events, and other forms of entertainment and recreation while traveling.

Entertainment/Recreation Industry. Amusement and recreation services (SIC 79) and motion picture theaters (783).

Food Expenditure. Traveler spending in commercial eating facilities and grocery stores or carry-outs, as well as on food purchased for off-premise consumption.

Food Service Industry. Eating and drinking places (SIC 58).

General Retail Trade Industry. This sector is defined to receive incidental purchases by travelers. It includes general merchandise group stores (SIC 53) and miscellaneous retail stores (59).

Incidental Purchase Expenditure. Traveler spending on retail trade purchases including gifts for others, medicine cosmetics, clothing, personal services, souvenirs, and other items of this nature.

Incidental Purchase Industry. See General Retail Trade Industry.

Lodging Industry. This industry includes hotels, motels and motor hotels (SIC 701), camps and trailer parks (703), and general building contractors -- residential buildings (152) and operative builders (1531).

Public Transportation Expenditures. This includes traveler spending on air, bus, rail and boat/ship transportation, and taxicab or limousine service between airports and central cities. Also included are expenditures on "other transportation" as indicated in the 1977 National Travel Survey.

Public Transportation Industry. Air transportation (SIC 45), taxicab companies (411), intercity highway passenger transportation (413), National Railroad Passenger Corporation (Amtrak), and water transportation (44 except 441). Also is the "dummy" industry of "other transportation."

Tourism. Generally avoided in this study, this term can be used to refer to pleasure or personal travel, a subset of travel.

Travel. The act of taking a "trip" (qq.v.)

Travel Arrangement Industry. This includes travel agencies, tour operators, and other services in arranging passenger transportation, and is covered under SIC 4722.

Traveler. A person on a "trip" (qq.v.).

Travel Expenditure. The exchange of money or the promise of money for goods or service while traveling, including any advance purchase of public transportation tickets, lodging or other items normally considered incidental to travel, but which may be purchased in advance of the trip. In addition, certain of the "fixed" or capital costs of owning a motor vehicle (including campers, motor homes, etc.) or a vacation or second home are included as associated with taking a trip. Generally, expenditures are assumed to take place at the point where the good or service is bought while traveling. The two exceptions to this rule are that the fixed costs of operating a motor vehicle while on a trip are allocated to the traveler's area of residence, and the "imputed rent" of spending nights in the traveler's own vacation home are allocated to the area visited.

Travel-generated Employment. The number of jobs attributable to travel expenditures in an area. These estimates of employment follow the "establishment payroll survey definition" rather than the "household survey definition." Consequently the TEIM estimates are more closely related to the number of jobs than to number of employees. For a detailed description of the household and establishment survey differences, see Green, Gloria P., "Comparing Employment Estimates from Household and Payroll Surveys," Monthly Labor Review, Vol. 92, No. 12 (December, 1969).

Travel-generated Payroll. This is the payroll, or wage and salary income, attributable to travel expenditures in an area. Payroll includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay, and the value of payments in kind (such as free meals and lodgings) paid during the year to all employees. Trips and gratuities received by employees from patrons and reported to employers are included. For corporations, it includes amounts paid to officers and executives; for unincorporated businesses, it does not include profit nor other compensation of proprietors or partners. Payroll is reported before deductions for social security, income tax, insurance, union dues, etc.

Travel-generated Tax Receipts. These are federal, state and local tax revenues attributable to travel in an area. For a given state locality, all or some of the taxes may apply. "Local" includes county, city or municipality, and township units of government. This tax revenue is attributable to the level of government actually collecting the receipts, and not the level that may end up receiving it through intergovernmental transfers.

Federal. These receipts include corporate income taxes, individual income taxes, employment taxes, gasoline excise taxes, and airline ticket taxes.

State. These receipts include corporate income taxes, individual income taxes, sales and gross receipts taxes, and excise taxes.

Local. These include county and city receipts from individual and corporate income taxes; sales, excise and gross receipts taxes, and property taxes.

Travel-generated Wage and Salary Income. The same as "travel-generated payroll."

Trip. A trip occurs, for the purpose of the Model, every time one or more persons goes to a place 100 miles or more away from home in one day, or is out-of-town one or more nights, and returns to his origin. Specifically excluded from this definition are: (1) travel as part of an operating crew on a train, plane, bus, truck or ship; (2) commuting to a place of work; (3) student trips to school or those taken while in school. Also excluded is foreign travel activity in the U.S.

Visitor. This term is usually limited to special studies of individual cities or metropolitan areas. It includes those not residing in the area under study who travel away from home overnight or on a day trip of 200 round-trip miles or more and visit the area. As a general rule, total travel impact on an area less the impact of area residents equals visitor impact.

APPENDIX C

Revised 1978 Estimates for Selected States

Table C-1: U.S. Domestic Travel Expenditures for All Trips, 1978 Revised
($ millions)

State	Public Transportation	Automobile Transportation	Lodging	Food
Maryland	$ 610.3	$ 236.5	$ *	$ 597.2
Vermont	29.5	51.7	162.5	371.5
Virginia	409.4	513.0	448.7	741.7
District of Columbia	205.5	59.7	*	181.2
TOTAL	$24,027.0	$25,316.4	$18,461.6	$34,765.7

State	Entertainment, Recreation	Incidental Purchases	Total
Maryland	$ 141.5	$ 153.2	$ 1,959.1
Vermont	93.1	79.3	787.6
Virginia	205.7	217.1	2,535.6
District of Columbia	63.6	32.9	675.6
TOTAL	$ 9,985.8	$9,823.2	$122,379.6

* Not revised from estimates published in 1977-78 Impact of Travel on State Economies.

Source: U.S. Travel Data Center

Table C-2: U.S. Travel-generated Payroll, 1978 Revised
($ millions)

State	Public Transport	Auto Transport	Lodging	Food
Maryland	$ 195.2	$ 21.1	$ *	$ 148.4
Nevada	*	39.0	*	*
Vermont	7.0	3.8	37.7	92.5
Virginia	109.2	48.7	102.9	185.9
District of Columbia	92.4	5.9	*	55.3
TOTAL	7,312.9	2,248.3	$4,441.8	$8,865.2

State	Entertainment Recreation	Incidental Purchases	Travel Arrangement	Total
Maryland	$ 45.3	$ 21.1	$ *	$ 500.3
Nevada	*	*	*	534.5
Vermont	29.4	9.3	*	180.6
Virignia	60.9	29.6	*	545.4
District of Columbia	8.4	5.1	*	229.7
TOTAL	$2,922.7	$1,347.7	*	$27,958.2

* Not revised from estimates published in 1977-78 Impact of Travel on State Economies.

Source: U.S. Travel Data Center

Table C-3: U.S. Travel-generated Employment, 1978 Revised
(thousands of Jobs)

State	Public Transport	Auto Transport	Lodging	Food
Louisiana	*	*	*	*
Maryland	13.9	2.3	*	30.5
Nevada	*	4.9	*	*
Vermont	*	.6	6.5	22.3
Virginia	6.3	6.2	*	42.6
District of Columbia	5.5	.7	*	8.8
Total	432.6	269.8	714.3	1,951.3

State	Entertainment Recreation	Incidental Purchases	Travel Arrangement	Total
Louisiana	7.7	*	*	72.8
Maryland	6.7	3.0	*	67.4
Nevada	*	*	*	66.2
Vermont	6.2	1.4	*	37.7
Virginia	10.7	4.6	*	88.7
District of Columbia	.9	.6	*	23.3
Total	443.4	186.8	*	4,081.5

* Not revised from estimates published in 1977-78 Impact of Travel on State Economies.

Source: U. S. Travel Data Center

Table C-4: U.S. Travel-generated Tax Revenue, 1978 Revised
($ millions)

State	Federal Tax Revenue	State Tax Revenue	Local Tax Revenue	Total
Arizona	$ *	$ 80.9	$ *	$ 194.1
Arkansas	*	*	7.1	93.6
California	931.6	611.4	331.9	1,875.2
Connecticut	*	88.3	*	207.1
Delaware	*	10.8	*	42.2
Indiana	*	82.1	16.0	204.0
Louisiana	105.7	76.4	36.7	218.8
Maryland	150.3	84.9	21.6	256.8
Missouri	*	97.2	35.6	327.5
Nebraska	*	*	10.4	88.2
Nevada	108.5	*	18.4	173.3
Oklahoma	75.8	38.5	22.1	136.4
Tennessee	80.1	74.4	22.2	176.7
Texas	*	223.7	85.6	698.0
Vermont	25.7	38.2	9.8	73.7
Virginia	105.3	90.1	36.1	231.5
District of Columbia	64.3	46.2	7.4	117.9
Total	$7,038.8	$4,699.2	$1,633.5	$13,371.5

* Not revised from estimates published in 1977-78 Impact of Travel on State Economies.

Source: U.S. Travel Data Center

APPENDIX D:

SOURCES

APPENDIX D: SOURCES

The following organizations provided base data essential to the production of these 1979 estimates of the impact of travel. Special thanks are due the individuals in these organizations who made their time and experience available to us.

American Bus Association

Amtrak

Bureau of Economic Analysis, U.S. Department of Commerce

Bureau of Labor Statistics, U.S. Department of Labor

Civil Aeronautics Board

Federal Aviation Administration, U.S. Department of Transportation

Federal Highway Administration, U.S. Department of Transportation

Mobil Travel Guides

Sales & Marketing Management Magazine

State Travel Offices in all fifty states

Woodall Publishing Company

R9375-7

THE IMPACT OF TRAVEL

ON

STATE ECONOMIES

1980

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The United States Travel Data Center is the national, non-profit center for travel and tourism research. Since its establishment in 1973, the Data Center has devoted itself to advancing the common interests of the travel industry and the public it serves by encouraging, sponsoring and conducting statistical, economic, and scientific research concerning travel, the travel industry and travel-related industries. In pursuit of this objective, the Data Center gathers, analyzes, publishes and disseminates the results of such research, and cooperates with all government agencies, private industry and academic institutions with similar purposes and objectives. The Data Center is financed through publication sales, membership dues and contract research. It is located in Suite 610, 1899 L Street, N.W., Washington, D.C. 20036.

Earl E. Ditmars, Chairman

Dr. Douglas C. Frechtling, Director

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EXECUTIVE SUMMARY

- Travelers in the U.S. spent $172 billion during 1980, up 15 percent from the previous year.

- Travelers spent more on auto transportation than any other type of expenditure in 1980, the first time expenditures on food did not rank first.

- U.S. travelers spent $22 billion in California, more than any other state, while expenditures in Texas grew 25 percent over the previous year, faster than in any other state.

- Traveler expenditures in the U.S. directly generated nearly 4.6 million jobs paying more than $37 billion in wage and salary income.

- Travel-generated jobs accounted for nearly 5 percent of all jobs in the U.S. during 1980; travel was one of the top three private employers in 35 states.

- Each dollar spent by travelers in the U.S. generated more than ten cents in tax revenue for federal, state and local governments; more than $17 billion in tax revenue resulting from this spending in 1980.

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INTRODUCTION

The estimates of the economic impact of travel contained in this volume are the product of the Travel Economic Impact Model (TEIM), an economic model developed expressly to indicate the expenditures, employment, payroll, business receipts and tax revenue generated by travel away from home in the U.S.

The conceptual development of the model was funded by the Bureau of Land Management of the U.S. Department of the Interior in 1975. Since that time, the Model has been expanded to reflect the availability of improved data and has been computerized. While not included here, the Model has also been extended to produce improved county-level estimates of travel impact. The data contained in this report and others in this series are the only estimates of the economic impact of travel available for all 50 states and the District of Columbia.

In earlier years, the Data Center published estimates of travel's impact at the state level covering 1974, 1975 and 1976. With the availability of the U.S. Census Bureau's 1977 Censuses of Transportation, Service Industries, and Retail Trade, the Travel Economic Impact Model was revised substantially. The 1977 and subsequent year estimates are from the revised model. Consequently, 1977 and later estimates are not comparable to earlier data published by the Data Center, and should not be compared to them.

The Data Center views the Model as a continuing, evolving project producing annual estimates. It is hoped that this publication will stimulate discussion and criticism of the Model to promote further development and improvement. Users of these data are encouraged to communicate their reaction, both positive and negative, to the Data Center in the interests of progress in travel research.

The individual state estimates should not necessarily be viewed as substitutes for major state research projects on the impact of travel and tourism. Rather, the user should compare the methodologies and results, and draw his own conclusions regarding the validity of differing approaches and estimates.

Estimates for 1980 are contained in this report. In the Appendices, the Travel Economic Impact Model is summarized, and a glossary of terms is provided. In addition, revised estimates for certain states for 1979 are included in a special appendix. These revisions are based on special studies of individual states and counties conducted during 1981 by the Data Center.

1980 U.S. DOMESTIC TRAVEL EXPENDITURES

In 1980, Americans spent $160.8 billion in the U.S. on overnight trips and day-trips to places 100 miles or more away from home and returning. This amount is a 14.7 percent increase over spending during the previous year.

As indicated in Table 1, spending on auto transportation, including trucks, recreational vehicles and auto rentals, accounted for more than one-quarter of total spending in the U.S. Nineteen eighty is the first year in which this category has surpassed travel spending on food as the largest single category. Travel expenditures on auto transportation rose by one-quarter in 1980 as the cost of gasoline increased 39 percent for the year.

Table 1: U.S. Resident and Foreign Visitor Travel Spending in the U.S., 1980.

Expenditure Category	Expenditures (billions)	Percent of U.S. Total
Public transportation	$ 33.3	20.7
Auto transportation	41.1	25.6
Lodging	23.7	14.7
Foodservice	41.0	25.5
Entertainment and recreation	11.0	6.8
Incidentals	10.8	6.7
U.S. Total	$160.8	100.0
U.S. Territories[1]	0.8	
Foreign Visitor Spending	10.1	
Grand Total	$171.7	

[1] U.S. territories in this report include American Samoa, Guam, the Marianas, Puerto Rico, and the U.S. Virgin Islands.

Note: Details may not add to totals due to rounding.

Source: U.S. Travel Data Center

Food was the second largest travel expenditure category with over one-fourth of the total. Public transportation, including travel by air, bus, rail and ship, accounted for more than one-fifth of total spending. All transportation expenditures comprised 46 percent of total travel spending in 1980.

In these estimates, lodging expenditures of travelers must be distinguished from total receipts of commercial lodging facilities. The latter includes all sales income of hotels, motels and tourist courts, from room sales, restaurant sales, concessions, valet and other services to customers. The model cannot distinguish meals purchased in restaurants operated by hotels or motels. Consequently, some of the food purchases estimated by the model took place in commercial lodging facilities.

This explains how changes in lodging expenditures by travelers may differ from variations in total lodging industry receipts. Moreover, this convention also affects TEIM estimates of travel-generated payroll and employment for lodging and foodservice

Data were obtained from the official travel development offices in American Samoa, Guam, the Marianas, Puerto Rico and the U.S. Virgin Islands on visitor expenditures. Based on these data, the Data Center estimates that U.S. visitors to these territories spent $755 million in 1980. Foreign visitor spending in the U.S. territories is included in U.S. Department of Commerce estimates of total foreign visitor expenditures in the U.S.

According to the Commerce Department, foreign visitors spent $10,090 million while traveling in the U.S. and its territories during 1980. This total is consistent with the TEIM estimates for American resident travel spending, and does not include receipts of U.S. carriers for international transportation of foreign nationals.

Together, U.S. residents and foreign visitors spent $172 billion on travel in the U.S. during 1980, 15 percent more than the previous year. Total travel spending in the U.S. accounted for 6.6 percent of the nation's gross national product during 1980.

Table 2 shows travel spending in six categories by state visited in 1980. Only U.S. travel expenditures are included here, as there is no acceptable method of distributing foreign visitor expenditures among states at this time. The estimates in Table 2 are of total spending by U.S. travelers in the 50 states and the District of Columbia, including the retail sales and excise taxes these travelers paid.

As indicated in the table, California garnered nearly 14 percent of total travel spending in the U.S. during 1980, for nearly $22 billion. Florida was second with $12.7 billion. New York and Texas were third and fourth, with $11.4 billion and $10.9 billion, respectively.

The average stated enjoyed $3.2 billion in U.S. traveler expenditures in 1980. Fifteen states showed expenditures higher than the average for the year. A total of 37 states received more than one billion dollars in this spending.

Rhode Island indicated the least U.S. travel spending during the year with $347 million. Delaware and South Dakota also showed less than $500 million in these expenditures for the year.

U.S. travel expenditures in Texas grew more than 25 percent between 1979 and 1980, a faster growth rate than any other state. New York followed with 20 percent increase in travel spending. New Hampshire and Rhode Island showed the smallest rates of increase over the year, up less than six percent each.

Appendix C to this report contains revisions of the 1979 estimates of U.S. travel expenditures for Connecticut, Virginia and Kentucky. These revisions are based upon special studies conducted in these areas. Estimates of total spending for the nation are also revised down by three-tenths of one percent.

TABLE 21 1980 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 163.5	$ 282.2	$ 181.0	$ 349.9
ALASKA	243.4	123.6	77.7	142.8
ARIZONA	445.0	690.5	416.9	692.1
ARKANSAS	105.0	361.7	177.4	488.8
CALIFORNIA	6,002.7	5,309.4	2,786.0	5,124.9
COLORADO	732.7	616.8	543.7	861.1
CONNECTICUT	399.5	837.8	103.0	285.9
DELAWARE	36.0	64.3	92.2	138.6
FLORIDA	2,194.2	2,618.8	2,868.6	3,398.8
GEORGIA	662.6	1,697.0	463.8	872.8
HAWAII	584.2	339.1	553.8	436.2
IDAHO	103.9	145.2	112.4	301.9
ILLINOIS	1,445.7	1,634.6	444.4	1,106.2
INDIANA	419.1	647.9	235.6	618.4
IOWA	303.3	402.2	160.8	435.5
KANSAS	238.9	495.7	121.6	348.1
KENTUCKY	218.6	821.8	185.7	446.3
LOUISIANA	539.0	1,035.1	291.5	682.9
MAINE	113.1	135.4	315.6	363.8
MARYLAND	824.1	387.3	270.2	676.6
MASSACHUSETTS	1,026.4	1,250.9	577.2	685.7
MICHIGAN	994.9	1,282.9	867.2	1,223.2
MINNESOTA	685.0	942.7	553.3	915.7
MISSISSIPPI	113.8	261.5	104.4	314.2
MISSOURI	741.2	1,054.5	680.4	824.5
MONTANA	21.4	131.7	111.2	202.7
NEBRASKA	161.9	251.4	91.5	315.0
NEVADA	388.8	758.3	733.4	883.6
NEW HAMPSHIRE	58.3	169.3	268.5	256.5
NEW JERSEY	1,366.8	555.5	660.2	1,144.8

TABLE 2: 1980 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	172.7	255.4	145.0	386.2
NEW YORK	2,557.3	3,256.6	1,766.5	2,716.7
NORTH CAROLINA	405.5	923.3	545.1	985.8
NORTH DAKOTA	95.7	233.4	42.1	147.2
OHIO	1,247.5	1,631.0	443.4	1,266.6
OKLAHOMA	419.5	406.4	208.6	631.3
OREGON	429.4	421.4	206.3	603.1
PENNSYLVANIA	1,590.4	1,550.3	766.1	1,572.8
RHODE ISLAND	77.5	93.3	31.9	93.5
SOUTH CAROLINA	185.4	503.8	355.2	699.2
SOUTH DAKOTA	57.6	126.2	59.5	116.9
TENNESSEE	291.0	565.4	364.0	751.3
TEXAS	2,263.3	3,026.6	1,520.5	2,580.1
UTAH	156.6	206.7	158.3	350.5
VERMONT	42.2	89.2	199.3	421.8
VIRGINIA	530.3	756.5	536.8	765.2
WASHINGTON	542.8	621.8	214.4	660.5
WEST VIRGINIA	86.6	216.6	211.8	298.4
WISCONSIN	413.8	598.9	539.3	962.5
WYOMING	84.1	175.9	108.9	188.1
DISTRICT OF COLUMBIA	268.5	97.1	218.5	225.9
TOTAL	$ 33,250.7	$ 41,060.9	$ 23,680.7	$ 40,971.1

TABLE 2: 1980 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
ALABAMA	$ 100.0	$ 112.5	$ 1,189.1
ALASKA	23.0	26.0	636.5
ARIZONA	171.0	196.1	2,611.6
ARKANSAS	128.4	148.4	1,409.7
CALIFORNIA	1,330.5	1,329.0	21,882.5
COLORADO	349.4	255.7	3,359.4
CONNECTICUT	86.2	79.3	1,791.7
DELAWARE	37.2	35.0	403.3
FLORIDA	787.2	855.7	12,723.3
GEORGIA	241.0	234.8	4,172.0
HAWAII	79.7	90.2	2,083.2
IDAHO	48.9	60.1	772.4
ILLINOIS	338.9	316.4	5,286.2
INDIANA	180.3	195.7	2,297.0
IOWA	111.7	118.7	1,532.2
KANSAS	104.4	108.9	1,417.6
KENTUCKY	124.1	126.5	1,922.9
LOUISIANA	171.7	164.3	2,884.5
MAINE	89.2	90.2	1,107.3
MARYLAND	150.9	162.9	2,472.0
MASSACHUSETTS	166.9	170.7	3,877.8
MICHIGAN	432.9	372.8	5,173.9
MINNESOTA	309.7	253.6	3,660.0
MISSISSIPPI	83.3	93.4	970.6
MISSOURI	259.2	256.5	3,816.3
MONTANA	60.4	61.3	588.7
NEBRASKA	87.9	91.4	999.1
NEVADA	170.8	172.5	3,107.4
NEW HAMPSHIRE	92.0	73.3	917.9
NEW JERSEY	263.3	268.5	4,259.1

TABLE 2: 1980 U.S. DOMESTIC TRAVEL EXPENDITURES FOR ALL TRIPS (CONTINUED)
(MILLIONS)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
NEW MEXICO	97.7	88.1	1,145.1
NEW YORK	565.1	550.0	11,412.2
NORTH CAROLINA	275.7	277.4	3,412.8
NORTH DAKOTA	35.6	46.4	600.4
OHIO	338.7	347.1	5,274.3
OKLAHOMA	191.3	188.4	2,045.5
OREGON	153.6	150.9	1,964.7
PENNSYLVANIA	449.8	447.6	6,377.0
RHODE ISLAND	24.0	26.4	346.6
SOUTH CAROLINA	169.0	180.0	2,092.6
SOUTH DAKOTA	34.0	37.8	432.0
TENNESSEE	194.3	200.0	2,366.0
TEXAS	761.5	744.9	10,896.9
UTAH	106.2	98.1	1,076.4
VERMONT	99.5	84.4	936.3
VIRGINIA	204.5	215.8	3,009.1
WASHINGTON	205.3	187.0	2,431.8
WEST VIRGINIA	90.1	88.7	992.2
WISCONSIN	360.5	261.3	3,136.3
WYOMING	69.7	57.8	684.5
DISTRICT OF COLUMBIA	40.0	38.4	888.4
TOTAL	$ 11,046.2	$ 10,836.9	$160,846.5

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

1980 TRAVEL-GENERATED BUSINESS RECEIPTS

Travel-generated business receipts are defined as travel expenditures less federal, state, local and territorial retail sales and excise taxes. These estimates are useful for comparing travel's impact on industry with total industry receipts available from the U.S. Department of Commerce and other sources.

Table 3: Travel-generated Business Receipts in the U.S., 1980

Industry Category	Business receipts (billions)	Percent of U.S. total
Public transportation	$ 31.4	20.5%
Auto transportation	38.1	24.9
Lodging	23.0	15.0
Foodservice	39.1	25.6
Entertainment and recreation	10.8	7.1
Incidental purchases	10.4	6.8
U.S. Total	$152.8	100.0%
U.S. Territories	.7	
Foreign Visitor-generated	9.7	
Grand Total	$163.2	

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center

In 1980 travel-related businesses in the 50 states and the District of Columbia received nearly $153 billion from receipts generated by U.S. travelers. This is a 15 percent increase over the 1979 total.

As indicated in Table 3, the foodservice industry accounted for more than one-quarter of the total, closely followed by the auto transportation sector. This reverses the pattern in total expenditures discussed above, as auto transportation expenses were taxed at higher rates than foodservice in the U.S. during 1980.

Overall, travel-generated business receipts comprise 95 percent of travel expenditures in the U.S. Among the categories, the proportions range from nearly 98 percent for entertainment and recreation expenditures to less than 93 percent for auto transportation. This indicates that auto transportation is relatively highly taxed as a retail sales activity, while entertainment and recreation enjoys little taxation at the retail level.

U.S. spending in U.S. territories generated $719 million in business receipts in these five areas. Foreign visitor expenditures in the U.S. during 1980 produced $9,650 million in these receipts. This latter estimate is based upon a special study conducted for the U.S. Travel and Tourism Administration by the Data Center (see Appendix D).

During 1980, all travelers in the U.S. and its territories generated more than $163 billion in business receipts for American industry.

Table 4 details how business receipts generated by U.S. travelers are distributed among six industry categories in each of the fifty states and the District of Columbia. Ranking of states here is quite similar to that found for travel expenditures in Table 2, and differs only when a state has a relatively unique retail tax structure.

California is first in travel-generated business receipts with more than $20 billion in 1980. Florida is second with more than $12 billion. In all, 37 states show such business receipts in excess of one billion dollars. Travel-generated business receipts averaged $3.0 billion per state.

At the other end of the scale are three states which show less than $500 million in travel-generated business receipts, with Rhode Island showing the least, $326 million.

Appendix C contains revisions in travel-generated business receipts in 1979 for Connecticut, Kentucky and Virginia based upon special studies in their areas. Total U.S. business receipts for travel is revised up one-tenth of one percent.

TABLE 4: 1980 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 154.8	$ 260.5	$ 174.2	$ 331.9
ALASKA	228.7	119.3	77.7	142.8
ARIZONA	417.2	642.8	406.7	660.4
ARKANSAS	100.1	333.7	174.2	474.5
CALIFORNIA	5,649.5	4,807.7	2,694.6	4,833.0
COLORADO	691.5	576.3	521.6	821.0
CONNECTICUT	376.5	770.0	96.0	265.9
DELAWARE	33.9	60.0	88.8	137.7
FLORIDA	2,074.0	2,450.7	2,784.1	3,268.1
GEORGIA	622.0	1,580.9	449.1	841.8
HAWAII	546.9	320.2	532.7	419.4
IDAHO	97.8	135.3	109.7	293.2
ILLINOIS	1,362.4	1,532.4	423.1	1,054.8
INDIANA	398.5	590.2	224.3	594.6
IOWA	287.7	375.6	156.9	422.8
KANSAS	225.5	466.4	118.1	337.4
KENTUCKY	206.1	767.7	178.1	425.1
LOUISIANA	508.9	965.1	277.6	649.2
MAINE	106.6	125.4	308.1	346.5
MARYLAND	778.4	361.0	254.9	644.4
MASSACHUSETTS	967.0	1,168.4	557.3	634.9
MICHIGAN	937.0	1,161.4	855.1	1,176.2
MINNESOTA	647.3	875.5	542.2	880.3
MISSISSIPPI	109.3	234.6	100.4	302.1
MISSOURI	701.2	990.6	665.0	791.8
MONTANA	20.2	121.2	111.2	202.7
NEBRASKA	154.3	231.4	88.8	304.7
NEVADA	365.6	718.7	733.4	853.9
NEW HAMPSHIRE	56.3	155.1	268.5	256.5
NEW JERSEY	1,288.1	520.5	637.6	1,090.2

TABLE 4: 1980 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	161.7	237.2	137.9	371.0
NEW YORK	2,419.5	2,965.4	1,699.3	2,539.0
NORTH CAROLINA	387.9	862.6	535.7	947.9
NORTH DAKOTA	91.0	218.3	40.6	141.5
OHIO	1,183.3	1,536.2	425.4	1,213.2
OKLAHOMA	396.6	381.5	203.3	610.6
OREGON	404.7	399.2	206.3	603.1
PENNSYLVANIA	1,512.2	1,429.0	734.7	1,483.8
RHODE ISLAND	73.0	85.7	30.4	88.2
SOUTH CAROLINA	177.2	466.3	344.4	672.3
SOUTH DAKOTA	54.7	116.0	57.5	111.8
TENNESSEE	278.6	529.3	345.2	710.8
TEXAS	2,142.7	2,866.1	1,473.1	2,463.1
UTAH	147.1	190.9	153.3	334.1
VERMONT	40.6	82.5	194.5	401.7
VIRGINIA	506.4	705.3	517.3	732.3
WASHINGTON	514.0	579.0	205.2	629.4
WEST VIRGINIA	82.7	201.6	209.2	289.7
WISCONSIN	393.2	558.3	529.9	925.5
WYOMING	79.9	163.4	105.9	181.8
DISTRICT OF COLUMBIA	253.8	89.6	202.3	215.2
TOTAL	$ 31,414.1	$ 38,082.0	$ 22,961.4	$ 39,123.8

TABLE 4: 1980 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
ALABAMA	$ 94.9	$ 106.7	$ 1,123.0
ALASKA	23.0	26.0	617.5
ARIZONA	163.2	187.1	2,477.4
ARKANSAS	124.6	144.0	1,351.1
CALIFORNIA	1,330.5	1,253.3	20,568.6
COLORADO	349.4	243.8	3,203.6
CONNECTICUT	86.2	73.4	1,668.3
DELAWARE	37.2	34.8	392.4
FLORIDA	756.9	822.8	12,156.6
GEORGIA	232.4	226.4	3,952.6
HAWAII	76.6	86.7	1,982.5
IDAHO	47.4	58.4	741.8
ILLINOIS	338.9	301.7	5,013.3
INDIANA	173.4	188.2	2,169.2
IOWA	108.4	115.3	1,466.7
KANSAS	101.2	105.6	1,354.2
KENTUCKY	124.1	120.5	1,821.6
LOUISIANA	163.2	156.2	2,720.2
MAINE	89.2	85.9	1,061.7
MARYLAND	143.7	155.1	2,337.5
MASSACHUSETTS	166.9	162.6	3,657.1
MICHIGAN	432.9	358.5	4,921.1
MINNESOTA	297.7	243.7	3,486.7
MISSISSIPPI	83.3	89.8	919.5
MISSOURI	249.0	246.4	3,644.0
MONTANA	60.4	61.3	577.0
NEBRASKA	85.0	88.5	952.7
NEVADA	170.8	168.4	3,010.8
NEW HAMPSHIRE	92.0	73.3	901.7
NEW JERSEY	250.7	255.7	4,042.8

TABLE 4: 1980 U.S. TRAVEL-GENERATED BUSINESS RECEIPTS (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TOTAL
NEW MEXICO	93.8	84.6	1,086.2
NEW YORK	528.1	514.0	10,665.3
NORTH CAROLINA	275.7	266.7	3,276.5
NORTH DAKOTA	34.3	44.7	570.4
OHIO	338.7	332.4	5,029.2
OKLAHOMA	185.0	182.2	1,959.2
OREGON	153.6	150.9	1,917.8
PENNSYLVANIA	449.8	422.3	6,031.8
RHODE ISLAND	24.0	24.9	326.2
SOUTH CAROLINA	169.0	173.1	2,002.3
SOUTH DAKOTA	32.5	36.2	408.7
TENNESSEE	194.3	189.2	2,247.4
TEXAS	761.5	711.1	10,417.6
UTAH	101.2	93.5	1,020.1
VERMONT	96.6	81.9	897.8
VIRGINIA	196.5	207.4	2,865.3
WASHINGTON	195.6	178.2	2,301.4
WEST VIRGINIA	87.5	86.1	956.8
WISCONSIN	346.6	251.2	3,004.7
WYOMING	67.4	55.8	654.2
DISTRICT OF COLUMBIA	38.0	36.6	835.5
TOTAL	$ 10,822.8	$ 10,363.1	$152,767.2

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

1980 TRAVEL-GENERATED PAYROLL

Travel spending in the U.S. by residents directly generated nearly $35 billion in wage and salary, or payroll, income during 1980. This was an eleven percent change over the previous year's total, faster than the increase in total U.S. wage and salary income of less than nine percent. Table 5 shows the distribution of travel-generated payroll income among broad industry categories.

Table 5: Travel-generated Payroll in the U.S., 1980

Industry Category	Payroll (billions)	Percent of U.S. Total
Public transportation	$ 9.27	26.7%
Auto transportation	3.00	8.6
Lodging	5.72	16.5
Foodservice	10.78	31.0
Entertainment and recreation	3.31	9.5
Incidental purchases	1.51	4.3
Travel arrangement	1.14	3.3
U.S. Total	$34.73	100.0%
U.S. Territories	0.16	
Foreign-visitor generated	2.20	
Grand Total	$37.09	

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center

Foodservice accounted for nearly one-third of all travel-generated payroll during 1980, but it grew only slightly faster than the total. Payroll for travel agents, tour operators and others employed in travel arrangement grew the most at over 16 percent. Travel-generated wages and salaries in the auto transportation sector grew more than 14 percent.

Table 5 also shows the impact of expenditures by U.S. travelers in the territories on payroll income. Foreign visitors in the U.S. including the territories generated $2.2 billion in payroll income during 1980. Total wage and salary income directly

attributable to travel expenditures in the U.S. was more than $37 billion for the year.

A dollar of business receipts generates different amounts of payroll income in different sectors of the travel industry depending on the labor content of the service and the wage structure. For example, public transportation accounts for less than 20 percent of travel-generated business receipts, but over 26 percent of travel-generated payroll. This reflects the relatively high wage structure in public transportation, and the importance of labor in providing this service.

Auto transportation, on the other hand, requires little labor per dollar of receipts, and gasoline service station employees earn relatively low wages. Consequently, auto transportation comprises more than one-fourth of travel-generated business receipts, but less than one-tenth of travel-generated payroll.

On the average, one dollar in travel expenditures directly generated 21.6 cents in wage and salary income during 1980. The ratio of payroll to employment for all travel-generated jobs in the U.S. was $8,205 per job. The average ranged from $20,300 per job in public transportation to $5,300 per job in foodservice. These figures reflect both the average hourly wage in each sector and the number of hours worked per job per year. Foodservice and lodging employment have relatively low payroll-per-job averages primarily due to the seasonal nature of the business and the part-time nature of the jobs.

Table 6 displays payroll generated by U.S. travelers in each of the 50 states and the District of Columbia during 1980.

The average state benefitted from $682 million in travel-generated labor income. California leads with nearly five billion dollars in travel-generated payroll income, followed by Florida with nearly $2.8 billion. Nine states in all show more than one billion dollars in this wage and salary income. South Dakota and Rhode Island indicate less than $100 million in travel-generated payroll for 1980, the lowest levels among all states.

Travel-generated payroll in Texas grew 22 percent in 1980, faster than in any other state. Maine was second in payroll growth, followed by Florida. Rhode Island showed the lowest increase: less than two percent.

Appendix C contains revised travel-generated payroll estimates for Connecticut, Kentucky and Virginia based on special studies conducted in 1981. The total for the U.S. is revised downward by two-tenths of one percent.

TABLE 6: 1980 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	$ 44.7	$ 17.0	$ 42.7	$ 86.2
ALASKA	67.6	14.3	19.7	43.4
ARIZONA	123.7	41.3	93.5	179.3
ARKANSAS	26.1	22.1	38.6	123.4
CALIFORNIA	1,675.8	380.6	647.2	1,420.3
COLORADO	196.7	41.5	137.3	236.3
CONNECTICUT	130.9	65.4	29.4	76.0
DELAWARE	33.1	3.6	22.9	35.8
FLORIDA	592.0	175.7	671.9	872.5
GEORGIA	180.5	148.2	125.6	224.2
HAWAII	165.3	36.2	156.3	128.4
IDAHO	27.7	8.9	30.7	76.6
ILLINOIS	441.1	143.9	123.4	285.6
INDIANA	131.6	42.3	60.3	157.6
IOWA	79.6	28.3	40.4	107.7
KANSAS	65.0	38.0	31.5	91.0
KENTUCKY	59.9	53.1	45.2	112.9
LOUISIANA	154.4	76.7	81.4	177.1
MAINE	31.1	8.2	69.1	90.7
MARYLAND	245.1	28.1	69.2	173.2
MASSACHUSETTS	294.3	116.7	138.2	182.6
MICHIGAN	271.6	79.1	174.9	313.6
MINNESOTA	184.5	65.1	124.8	252.2
MISSISSIPPI	27.1	15.4	27.7	78.2
MISSOURI	200.9	77.6	158.7	216.9
MONTANA	6.2	7.7	24.8	51.2
NEBRASKA	42.1	16.3	24.1	78.8
NEVADA	109.8	54.3	223.9	240.1
NEW HAMPSHIRE	12.8	8.9	55.4	67.0
NEW JERSEY	379.3	40.1	159.1	293.7

TABLE 6: 1980 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	48.3	15.7	33.8	98.5
NEW YORK	736.2	250.5	434.9	757.9
NORTH CAROLINA	98.9	62.0	114.2	255.8
NORTH DAKOTA	24.5	18.1	10.0	38.0
OHIO	317.9	125.0	120.1	324.3
OKLAHOMA	113.2	25.0	49.3	165.9
OREGON	116.8	27.7	43.6	161.9
PENNSYLVANIA	464.1	113.3	190.6	389.2
RHODE ISLAND	27.9	5.3	8.0	24.6
SOUTH CAROLINA	46.7	30.0	82.6	171.4
SOUTH DAKOTA	15.1	7.7	12.3	29.8
TENNESSEE	71.2	33.7	90.2	188.8
TEXAS	592.0	246.4	359.0	684.2
UTAH	44.5	11.4	34.2	91.7
VERMONT	9.4	5.1	47.8	107.9
VIRGINIA	129.5	58.2	123.3	197.6
WASHINGTON	143.3	44.4	54.4	181.2
WEST VIRGINIA	22.9	13.7	54.6	75.3
WISCONSIN	107.3	36.4	109.0	245.1
WYOMING	21.2	10.9	24.0	46.9
DISTRICT OF COLUMBIA	120.1	7.5	73.1	71.0
TOTAL	$ 9,271.5	$ 3,002.6	$ 5,716.9	$ 10,779.5

TABLE 6: 1980 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	$ 27.7	$ 15.9	$ 3.6	$ 237.8
ALASKA	6.0	3.7	4.4	159.1
ARIZONA	50.9	26.4	12.5	527.6
ARKANSAS	33.6	18.4	1.8	264.0
CALIFORNIA	429.0	186.2	214.1	4,953.2
COLORADO	97.1	34.7	18.2	761.8
CONNECTICUT	22.8	10.6	30.7	365.7
DELAWARE	9.7	4.5	1.3	110.9
FLORIDA	255.9	121.7	62.6	2,752.3
GEORGIA	76.7	34.5	11.5	801.2
HAWAII	26.4	11.6	38.1	562.3
IDAHO	12.9	7.8	2.2	166.8
ILLINOIS	97.9	46.5	67.9	1,206.3
INDIANA	51.9	26.0	9.1	478.8
IOWA	29.1	16.1	5.7	306.9
KANSAS	27.4	14.6	7.6	275.1
KENTUCKY	34.0	16.9	3.2	325.3
LOUISIANA	52.4	23.8	7.6	573.4
MAINE	25.7	10.3	1.6	236.7
MARYLAND	49.5	22.7	17.6	605.4
MASSACHUSETTS	49.9	22.9	49.4	854.0
MICHIGAN	123.0	53.8	29.2	1,045.2
MINNESOTA	97.1	35.6	20.8	780.1
MISSISSIPPI	19.7	12.4	2.4	182.9
MISSOURI	85.2	37.6	21.5	798.4
MONTANA	16.9	8.0	2.0	116.8
NEBRASKA	23.8	11.9	4.0	201.0
NEVADA	57.7	23.1	7.6	716.5
NEW HAMPSHIRE	25.8	8.7	3.0	181.6
NEW JERSEY	82.5	36.3	40.7	1,031.7

TABLE 6: 1980 U.S. TRAVEL-GENERATED PAYROLL (MILLIONS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	25.8	11.4	2.8	236.3
NEW YORK	177.6	82.1	177.0	2,616.2
NORTH CAROLINA	79.5	39.1	7.1	656.6
NORTH DAKOTA	8.6	5.9	1.2	106.3
OHIO	102.2	50.7	26.0	1,066.2
OKLAHOMA	50.7	24.2	5.9	434.2
OREGON	47.8	19.5	11.5	428.8
PENNSYLVANIA	135.3	62.5	42.2	1,397.2
RHODE ISLAND	7.4	3.4	3.7	80.3
SOUTH CAROLINA	45.8	25.8	3.5	405.8
SOUTH DAKOTA	8.5	4.7	.7	78.8
TENNESSEE	54.9	28.7	8.5	476.0
TEXAS	225.1	102.3	64.6	2,273.6
UTAH	35.4	13.0	5.4	235.6
VERMONT	32.2	10.0	1.5	213.8
VIRGINIA	61.9	29.8	14.4	614.6
WASHINGTON	60.0	27.0	31.4	541.7
WEST VIRGINIA	22.0	11.6	1.2	201.3
WISCONSIN	106.5	37.3	16.8	658.4
WYOMING	19.2	7.1	1.3	130.6
DISTRICT OF COLUMBIA	10.1	6.0	11.7	299.5
TOTAL	$ 3,314.7	$ 1,505.3	$ 1,140.3	$ 34,730.8

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

1980 TRAVEL-GENERATED EMPLOYMENT

U.S. travel expenditures on domestic trips directly generated more than 4.2 million jobs during 1980, a 1.9 percent increase over 1979. Travel-generated employment grew twice as fast as total non-agricultural payroll employment in the U.S. Table 7 shows the distribution of this employment among sectors.

Table 7: Travel-generated Employment in the U.S., 1980

Industry Category	Employment (thousands)	Percent of U.S. Total
Public transportation	457	10.8%
Auto transportation	289	6.8
Lodging	752	17.8
Foodservice	2,036	48.1
Entertainment and recreation	423	10.0
Incidental purchases	177	4.2
Travel arrangement	99	2.3
U.S. Total	4,233	100.0%
U.S. Territories	21	
Foreign visitor-generated	297	
Grand Total	4,551	

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center

Foodservice accounted for nearly one-half of all travel-generated jobs in 1980. As discussed in the earlier section on travel expenditures, a portion of this foodservice employment occurs in hotels and other lodging places, and is often included in measures of total lodging employment.

The lodging sector supplied three-quarters of a million jobs, the second largest number of travel-generated jobs during 1980. This is equal to the number of jobs attributable to U.S. domestic travel for the public and auto transportation sectors combined.

Employment in travel arrangement showed an increase of nearly seven percent to lead all sectors. Although, foodservice was second, it was up less than three percent. Jobs attributable to U.S. domestic travel spending actually declined in the public transportation, entertainment/recreation, and incidental sectors of the industry during 1980.

U.S. spending on travel in the five U.S. territories produced 21 thousand jobs in 1980. Foreign visitor spending in the territories, the 50 states and the District of Columbia generated nearly 300 thousand jobs.

In all, travel spending in the U.S. and its territories directly generated nearly 4.6 million jobs, both full-time and part-time, during 1980. This comprised more than five percent of total U.S. non-agricultural payroll employment for the year.

The ratio of travel expenditures to the jobs directly generated by them indicates the amount of travel spending required to support one job in the travel industry. The ratio for 1980 is $37,750, up 13 percent from the 1979 ratio. The overall ratio is the result of wage rates, the mix of full-time, part-time and seasonal employment, and the distribution of travel spending among the industry categories.

Table 8 offers perspectives on the importance of travel and the travel industry in each of the states and the District of Columbia.

Employment generated by foreign visitor spending cannot be distributed among states. U.S. resident travel spending accounted for 4.7 percent of all non-agricultural payroll employment in this country during 1980. Travel activity is the most important source of employment in Vermont, where it contributes 19 percent of all jobs. In Nevada and Hawaii, more than ten percent of employment is attributable to U.S. travel activity.

Illinois shows the lowest proportion of total non-agricultural employment directly generated by travel. In general, the larger, more industrialized states have more diversified economies than smaller states, and several industries, usually manufacturing sectors, provide substantial numbers of jobs.

This fact is highlighted in the column showing travel-generated employment as a single industry ranked among all industries in each state in 1980. Total U.S. travel-generated employment is compared to each two-digit industry as defined as under the Standard Industrial Classification (SIC) system. Agriculture is treated as a single such industry, but government is excluded due to lack of consistent data on public employment (for more discussion of this method see Frechtling: 1977 in Appendix D).

Table 8: Travel Generated Employment, Share of Total Employment, and Rank Among Private Industries, by State, 1980

	Travel-generated employment (thousands)	Travel-generated employment as percent of total employment*	Travel-generated employment rank **
Alabama	35.8	2.6 %	7
Alaska	11.3	6.7	1
Arizona	70.6	7.0	1
Arkansas	44.0	5.9	2
California	496.3	5.0	2
Colorado	97.6	7.8	1
Connecticut	38.5	2.7	10
Delaware	15.7	6.1	2
Florida	332.3	9.3	1
Georgia	98.3	4.6	2
Hawaii	56.7	14.0	1
Idaho	28.8	8.7	2
Illinois	127.9	2.6	10
Indiana	67.4	3.2	8
Iowa	52.0	4.7	4
Kansas	41.6	4.4	4
Kentucky	46.3	3.8	4
Louisiana	70.6	4.5	3
Maine	37.8	9.0	1
Maryland	69.0	4.0	3
Massachusetts	91.7	3.5	6
Michigan	131.7	3.8	4
Minnesota	109.9	6.2	3
Mississippi	29.8	3.6	4
Missouri	102.2	5.2	3
Montana	21.3	7.6	2
Nebraska	34.0	5.4	3
Nevada	75.3	18.8	1
New Hampshire	29.4	7.6	1
New Jersey	108.0	3.5	5
New Mexico	36.2	7.8	1
New York	256.8	3.6	3
North Carolina	97.9	4.1	3
North Dakota	17.5	7.1	3
Ohio	134.4	3.1	8

Table 8: Travel Generated Employment, Share of Total Employment, and Rank Among Private Industries, by State, 1980 (Continued).

	Travel-generated employment (thousands)	Travel-generated employment as percent of total employment*	Travel-generated employment rank**
Oklahoma	60.5	5.3%	3
Oregon	58.1	5.6	4
Pennsylvania	178.1	3.7	3
Rhode Island	10.4	2.6	6
South Carolina	65.0	5.5	2
South Dakota	14.5	6.1	3
Tennessee	71.0	4.1	3
Texas	254.0	4.3	3
Utah	37.5	6.8	1
Vermont	38.1	19.0	1
Virginia	82.2	3.8	2
Washington	63.4	3.9	5
West Virginia	30.6	4.7	3
Wisconsin	108.5	5.6	4
Wyoming	20.4	9.9	1
District of Columbia	26.0	4.2	3
U.S. Overall	4,232.9	4.7%	2

*Travel-generated employment as percent of total non-agricultural payroll employment.

**Total travel-generated employment rank among all private industry two-digit SIC codes, with farm workers treated as a single code.

Source: U.S. Travel Data Center

U.S. travel away from home directly generates more jobs than any other private industry in 12 states and is among the top three employers in 35 states. In no state does it rank lower than tenth among the 69 private-sector industries examined. For the nation, employment directly generated by U.S. travel in 1980 was exceeded only by the health services industry.

Table 9 shows employment in each of the fifty states and the District of Columbia attributable to U.S. travel spending in 1980. California shows more travel-generated jobs than any other state and accounts for nearly twelve percent of the U.S. total. Florida follows with eight percent. In all, twelve states benefited by more than one hundred thousand jobs generated by travel activity during 1980. The average state showed 83 thousand travel-generated jobs.

At the other end of the scale, Rhode Island indicates the fewest number of travel-generated jobs, a little more than ten thousand. Alaska is next, with somewhat more than eleven thousand jobs. In all, 22 states are estimated to have fewer than fifty thousand jobs attributable to travel and tourism in 1980.

Nineteen eighty was a poor year for travel employment in the U.S. A share,albeit brief, recession retarded growth in travel spending. Meanwhile, inflation soared to the highest levels in recent memory: in March 1980, travel prices stood 26 percent above the previous March. Wage rates continued to rise so that each dollar of travel spending generated less employment in the travel industry.

As a result, total travel-generated employment in the U.S. rose less than two percent and actually declined in 22 states from the previous year. For comparison, total non-agricultural payroll employment fell in 20 states during 1980.

New York state showed an eight percent increase in travel-generated employment for 1980, to lead all states in growth. In all, five states enjoyed travel-generated employment growth rates of five percent or better over 1979.

Appendix C shows revised 1979 travel-generated employment estimates for Virginia, Connecticut and Kentucky. The total employment figure was revised downward by two-tenths of one percent.

TABLE 9: 1980 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
ALABAMA	2.8	2.0	6.9	17.4
ALASKA	3.0	1.1	1.8	4.2
ARIZONA	6.1	4.3	12.8	35.8
ARKANSAS	1.8	2.6	6.2	26.0
CALIFORNIA	70.2	29.6	77.8	238.3
COLORADO	9.0	4.4	20.2	47.5
CONNECTICUT	7.8	6.1	3.9	14.3
DELAWARE	2.0	.4	3.6	7.7
FLORIDA	27.9	17.2	88.7	150.2
GEORGIA	7.9	15.4	17.4	42.5
HAWAII	7.2	4.2	15.8	21.1
IDAHO	2.0	1.0	5.0	17.0
ILLINOIS	20.3	12.1	15.1	55.9
INDIANA	8.5	4.4	9.9	32.5
IOWA	5.5	3.0	7.7	26.6
KANSAS	4.3	3.9	5.6	20.2
KENTUCKY	3.4	5.5	7.3	22.4
LOUISIANA	8.2	7.4	11.2	33.2
MAINE	2.1	1.0	10.6	18.5
MARYLAND	15.3	2.6	10.1	30.0
MASSACHUSETTS	13.9	10.9	18.3	35.5
MICHIGAN	14.8	7.9	21.7	63.0
MINNESOTA	8.2	6.5	17.4	56.9
MISSISSIPPI	1.9	1.8	4.5	16.6
MISSOURI	9.3	7.6	22.5	45.6
MONTANA	.4	1.0	4.3	11.1
NEBRASKA	2.5	1.8	4.6	18.4
NEVADA	6.0	5.4	19.2	37.0
NEW HAMPSHIRE	1.0	1.1	7.2	15.1
NEW JERSEY	19.1	3.6	17.2	51.1

TABLE 9: 1980 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS)(CONTINUED)

	PUBLIC TRANSPORTATION	AUTOMOBILE TRANSPORTATION	LODGING	FOOD
NEW MEXICO	3.2	1.8	5.7	19.8
NEW YORK	31.0	23.3	44.1	121.3
NORTH CAROLINA	6.0	6.5	16.6	51.7
NORTH DAKOTA	1.5	1.9	1.9	9.3
OHIO	16.8	11.2	19.2	65.2
OKLAHOMA	5.8	2.8	7.3	33.9
OREGON	6.6	2.9	7.1	31.4
PENNSYLVANIA	25.4	12.5	28.2	82.7
RHODE ISLAND	1.7	.6	1.2	5.0
SOUTH CAROLINA	3.3	3.7	12.6	35.0
SOUTH DAKOTA	1.0	.9	2.5	7.6
TENNESSEE	4.2	3.6	12.4	39.5
TEXAS	26.9	21.5	47.2	114.8
UTAH	2.4	1.3	5.3	20.7
VERMONT	.6	.7	7.0	22.6
VIRGINIA	6.2	6.0	17.6	38.5
WASHINGTON	6.2	4.2	7.7	32.7
WEST VIRGINIA	1.8	1.5	7.3	15.3
WISCONSIN	6.4	4.0	15.9	58.0
WYOMING	1.5	1.2	3.9	9.6
DISTRICT OF COLUMBIA	5.7	.7	7.1	10.1
TOTAL	456.6	288.6	752.3	2,036.3

TABLE 9: 1980 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
ALABAMA	4.4	2.0	.3	35.8
ALASKA	.6	.3	.3	11.3
ARIZONA	7.2	3.2	1.2	70.6
ARKANSAS	4.9	2.3	.2	44.0
CALIFORNIA	41.7	20.1	18.6	496.3
COLORADO	10.6	4.2	1.7	97.6
CONNECTICUT	2.7	1.4	2.4	38.5
DELAWARE	1.3	.6	.1	15.7
FLORIDA	28.4	14.2	5.7	332.3
GEORGIA	9.8	4.2	1.1	98.3
HAWAII	3.4	1.3	3.7	56.7
IDAHO	2.6	.9	.3	28.8
ILLINOIS	13.3	5.4	5.8	127.9
INDIANA	7.9	3.3	.9	67.4
IOWA	6.3	2.3	.6	52.0
KANSAS	5.1	1.8	.7	41.6
KENTUCKY	5.1	2.2	.4	46.3
LOUISIANA	7.2	2.8	.6	70.6
MAINE	4.1	1.3	.2	37.8
MARYLAND	6.6	2.9	1.5	69.0
MASSACHUSETTS	6.2	2.9	4.0	91.7
MICHIGAN	15.8	5.8	2.7	131.7
MINNESOTA	14.8	4.4	1.7	109.9
MISSISSIPPI	3.1	1.6	.3	29.8
MISSOURI	11.3	4.2	1.7	102.2
MONTANA	3.2	1.0	.3	21.3
NEBRASKA	4.7	1.6	.4	34.0
NEVADA	4.5	2.4	.8	75.3
NEW HAMPSHIRE	3.6	1.1	.3	29.4
NEW JERSEY	8.6	4.5	3.9	108.0

TABLE 9: 1980 U.S. TRAVEL-GENERATED EMPLOYMENT (THOUSANDS) (CONTINUED)

	ENTERTAINMENT AND RECREATION	INCIDENTAL PURCHASES	TRAVEL ARRANGEMENT	TOTAL
NEW MEXICO	3.9	1.5	.3	36.2
NEW YORK	15.1	9.0	13.0	256.8
NORTH CAROLINA	11.5	5.0	.6	97.9
NORTH DAKOTA	2.0	.8	.1	17.5
OHIO	13.5	6.1	2.4	134.4
OKLAHOMA	7.1	3.0	.6	60.5
OREGON	7.0	2.0	1.1	58.1
PENNSYLVANIA	17.6	7.6	4.1	178.1
RHODE ISLAND	1.1	.4	.4	10.4
SOUTH CAROLINA	6.7	3.4	.3	65.0
SOUTH DAKOTA	1.8	.6	.1	14.5
TENNESSEE	7.1	3.5	.8	71.0
TEXAS	27.5	10.9	5.2	254.0
UTAH	5.7	1.6	.5	37.5
VERMONT	5.8	1.2	.2	38.1
VIRGINIA	8.7	4.0	1.3	82.2
WASHINGTON	7.2	2.7	2.7	63.4
WEST VIRGINIA	3.1	1.5	.1	30.6
WISCONSIN	17.8	4.9	1.5	108.5
WYOMING	3.2	.9	.1	20.4
DISTRICT OF COLUMBIA	.9	.6	.9	26.0
TOTAL	423.3	177.4	98.7	4,232.9

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

1980 TRAVEL-GENERATED TAX RECEIPTS

Travel expenditures, and the business and personal income they generate, produce tax revenue for federal, state and local governments in the U.S. U.S. travelers directly generated more than $16 billion in tax revenue during 1980, up more than ten percent from 1979. Table 10 shows the distribution of 1980 travel-generated tax revenue among levels of government.

Table 10: Travel-generated Tax Receipts in the U.S., 1980

Level of Government	Tax Receipts (billions)	Percent of U.S. Total
Federal	$ 8.90	54.0%
State	5.72	34.7
Local	1.87	11.3
U.S. Total	$16.48	100.0%
U.S. Territories	0.06	
Foreign visitor-generated	1.03	
Grand Total	$17.58	

Note: Details may not add to totals due to rounding
Source: U.S. Travel Data Center

The federal government accounted for more than half of the tax revenue earned from travel expenditures in 1980. State government received one-third of travel-generated tax revenues, while local government garnered eleven percent.

It is interesting to compare this distribution with that for all tax revenue in the U.S. In fiscal 1980, the federal government accounted for 61 percent of all taxes collected in the U.S., more than its share of travel-generated taxes. States, on the other hand, accounted for less than 24 percent, considerably below their proportion of travel revenue. Local governments showed 15 percent of the total, versus eleven percent of travel taxes. This indicates that state governments are considerably

more aggressive in taxing travel-related activities than federal or local governments are.

The ten percent increase in travel-generated tax revenue for all governments in 1980 was about one percentage point faster than the growth in total tax revenue for these governments. Federal travel-generated tax revenue was up 11.5 percent over the previous year, compared to a ten percent increase in total federal tax collections. State and local tax receipts from travel activities grew 10.0 percent and 7.7 percent, respectively in 1980, compared to 9.7 percent and 7.2 percent increases in state and local overall tax collections.

This indicates travel tax revenue grew faster than total tax receipts for federal, state and local governments. Growth here is, of course, the product of both rising travel expenditures and changes in tax rates.

During 1980, on the average each dollar of travel spending in the U.S. generated 5.5 cents in federal tax revenue, 3.6 cents in state tax revenue, and 1.2 cents in local tax receipts, for a total of 10.2 cents.

Overall, U.S. travel-generated tax receipts in the U.S. during 1980 accounted for 2.9 percent of all tax revenue in America. The federal government received 2.5 percent of its tax revenue from travel activity. State governments earned 4.2 percent of their tax receipts from travel and tourism, while local governments garnered 2.2 percent from this source. This comparison suggests that state governments are more dependent on travel and tourism activity for tax receipts than the other levels of government.

The Data Center estimates that U.S. visitors to the territories generated about $56 million in tax revenue. Foreign visitors produced more than one billion dollars for federal, state and local governments during their activities here in 1980. The Data Center estimates that federal tax revenues generated by foreign visitor spending in the U.S. reached $558 million that year.

All told, all travelers in the fifty states, the District of Columbia and the U.S. territories generated $17.6 billion in tax revenue for U.S. governments. This accounted for 3.1 percent of all tax collections in 1980.

Table 11 shows estimates of tax receipts generated by U.S. travelers in each of the states and the District of Columbia by level of government in 1980. Tax revenue attributable to foreign visitor spending cannot be distributed among the states at this time. The state and local tax receipts are the product of the individual tax structures prevailing in the individual states and the structure of travel spending in the states.

A special tabulation of federal and state sales and excise taxes on gascline obtained from the Highway Users Federation indicates that federal and state tax revenue generated by auto transportation expenditures were misestimated in 1977-79. Appendix C contains revised estimates for 1979 of all travel-generated tax receipts reflecting the appropriate tax rates.

TABLE 11: 1980 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
ALABAMA	$ 48.3	$ 47.1	$ 12.4	$ 107.8
ALASKA	41.2	7.1	6.0	54.3
ARIZONA	114.5	94.0	29.6	238.1
ARKANSAS	44.8	53.6	5.0	103.4
CALIFORNIA	1,287.8	848.8	363.7	2,500.3
COLORADO	231.5	88.6	55.2	375.3
CONNECTICUT	117.2	88.8	14.7	220.8
DELAWARE	35.6	12.2	2.0	49.8
FLORIDA	534.8	417.7	66.0	1,018.5
GEORGIA	184.3	162.8	36.8	383.9
HAWAII	120.1	80.4	11.1	211.6
IDAHO	37.0	26.9	4.7	68.6
ILLINOIS	388.2	176.0	58.9	623.1
INDIANA	121.2	99.8	17.0	238.0
IOWA	62.2	51.8	13.6	127.6
KANSAS	60.9	46.2	11.3	118.4
KENTUCKY	71.4	80.5	5.8	157.7
LOUISIANA	133.0	90.4	46.4	269.8
MAINE	42.4	43.6	9.2	95.2
MARYLAND	186.0	88.8	35.1	309.9
MASSACHUSETTS	235.4	180.7	48.5	464.6
MICHIGAN	339.5	210.5	45.3	595.3
MINNESOTA	242.2	149.6	26.8	418.6
MISSISSIPPI	29.3	49.8	9.1	88.2
MISSOURI	249.0	107.3	41.0	397.3
MONTANA	18.7	12.2	5.9	36.8
NEBRASKA	48.0	35.4	10.9	94.3
NEVADA	147.4	54.6	21.2	223.2
NEW HAMPSHIRE	36.4	13.4	8.8	58.6
NEW JERSEY	285.5	146.4	47.2	479.1

TABLE 11: 1980 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS) (CONTINUED)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
NEW MEXICO	45.6	41.3	9.5	96.4
NEW YORK	862.5	490.1	331.8	1,684.4
NORTH CAROLINA	140.8	108.1	30.4	279.3
NORTH DAKOTA	21.6	23.9	3.2	48.7
OHIO	326.4	145.6	49.3	521.3
OKLAHOMA	108.3	44.6	29.0	181.9
OREGON	98.3	35.5	17.7	151.5
PENNSYLVANIA	397.4	274.5	47.9	719.8
RHODE ISLAND	21.7	15.8	3.6	41.1
SOUTH CAROLINA	76.0	93.3	10.9	180.2
SOUTH DAKOTA	14.6	16.4	4.8	35.8
TENNESSEE	97.9	83.9	30.0	211.8
TEXAS	563.9	262.5	114.0	940.4
UTAH	49.6	43.9	13.2	106.7
VERMONT	32.5	43.1	10.2	85.8
VIRGINIA	121.2	100.5	40.4	262.1
WASHINGTON	130.0	85.8	15.2	231.0
WEST VIRGINIA	33.5	32.6	3.5	69.6
WISCONSIN	156.9	125.3	24.2	306.4
WYOMING	23.5	20.1	8.0	51.6
DISTRICT OF COLUMBIA	81.7	65.1	-	146.8
TOTAL	$ 8,897.7	$ 5,716.9	$ 1,866.0	$16,480.7

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

APPENDIX A: TRAVEL ECONOMIC IMPACT MODEL

Introduction

The Travel Economic Impact Model (TEIM) was developed by the U.S. Travel Data Center to provide annual estimates of the impact of the travel activity of U.S. residents on national, state and county economies in this country. It is a disaggregated model built upon estimates of 16 travel expenditure categories, their impact on 16 types of travel-related businesses at the retail level, and the business receipts, employment, personal income, and tax receipts that result.

The TEIM has the capability of estimating the economic impact of various types of travel, such as business and vacation, by transport mode and type of accommodations used, and other trip and traveler characteristics. While the benchmark Model estimates are primarily based on data gathered by the U.S. Bureau of the Census in 1977, it has been updated to provide estimates for succeeding years.

The TEIM has been used to develop estimates of 1977 and subsequent year travel expenditures and the effect of these expenditures on employment, payroll and tax revenue in each of the 50 states and the District of Columbia. The County Impact Component of the TEIM allows estimation of the economic impact of travel at the county and city level. The county-level estimates discussed in this report are derived from this component.

The estimates of economic impact contained herein were developed through a FLARES computer program designed by the staff of the U.S. Travel Data Center and the Computer Sciences Corporation of Rosslyn, Virginia.

Definition of Terms

There is no commonly-accepted definition of travel in use at this time. However, the industry appears to be converging on the concept that travel involves all activity related to trips to places outside the traveler's home area, or more specifically, places 50 miles or more away from home, except for commuting to and from work.[1] However, the principal data sources for measuring travel activity levels, the U.S. Census Bureau's 1972 and 1977 National Travel Surveys and economic censuses, used different definitions. Since these are the only comprehensive, large-sample survey sources of the travel activity in the U.S., the definitions of travel in these surveys are adopted for the purposes of this report.

For the purposes of the estimates herein, "travel" is defined as activities associated with all overnight trips away from home, and day-trips to places 100 miles or more away from the traveler's origin. This definition is largely coterminous with the 50-mile definition, but each definition excludes activity included by the other. The TEIM definition includes all overnight trips regardless of distance away from home, but excludes trips to places 50 to 100 miles away from home. The 50-mile definition excludes overnight trips to places less than 50 miles away from home, but includes day-trips of one-way distances 50 to 100 miles. Given these differences, it appears a priori that the total volume of travel expenditures associated with each definition is quite similar.

The word "tourism" is avoided in this report because of its vague meaning. Some define tourism as all travel away from home while others use the dictionary definition which limits tourism to personal or pleasure travel.

The "travel industry," as used herein, refers to the collection of 16 types of businesses that provide goods and services to the traveler or potential traveler at the retail level (see the Glossary). These business types are as defined by the Office of Management and Budget in its system of Standard Industrial Classifications (SIC).[2] In each case, the relevant SIC code is included.

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[1] See National Tourism Resources Review Commission, Destination U.S.A., Volume 2: Domestic Tourism, U.S. Government Printing Office, Washington, D.C., 1973, pp. 4-5; Frechtling, Douglas C., "Proposed Standard Definitions and Classifications for Travel Research," Marketing Travel and Tourism, Seventh Annual Conference Proceedings, The Travel Research Association, Salt Lake City, 1976, pp. 59-73.

[2] Office of Management and Budget, U.S. Executive Office of the President, Standard Industrial Classification Manual, 1972, U.S. Government Printing Office, Washington, D.C., 1973, 649 pp.

A "travel expenditure" is assumed to take place whenever a traveler exchanges money for an activity considered part of his trip. Total travel expenditures are broken down into 16 separate categories representing traveler purchases of goods and services at the retail level. Travel expenditures are allocated among states and counties by simulating where the exchange of money for goods or services actually took place. By their nature, some travel expenditures are assumed to occur at the traveler's origin, some at his destination, and some enroute.

"Economic impact" is represented by measures of spending, employment, payroll, business receipts and tax revenues generated by traveler spending. "Payroll" includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay and the value of payments in kind paid during the year to all employees. Payroll is reported before deductions for social security, income tax insurance, union dues, etc. This definition follows that used by the U.S. Census Bureau in the 1977 Census of Service Industries.[3]

"Employment" represents the number of jobs generated by traveler spending, both full- and part-time. As such, it is consistent with the U.S. Department of Labor series on non-agricultural payroll employment.[4] Tax revenues include corporate income, individual income, sales and gross receipts, and excise taxes by level of government.[5] Business receipts reflect travel expenditures less the sales and excise taxes imposed on those expenditures.

A more complete set of definitions appears in the Glossary of this volume.

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[3]U.S. Bureau of the Census, Census of Service Industries, 1977, Area Series, United States, U.S. Government Printing Office, Washington, D.C., 1979, p. A3.

[4]U.S. Department of Labor, Handbook of Labor Statistics, 1975, U.S. Government Printing Office, Washington, D.C., 1975, pp. 4-6.

[5]Advisory Commission on Intergovernmental Relations, State-local Finances: Significant Features and Suggested Legislation, 1972, U.S. Government Printing Office, Washington, D.C., 1972, passim, and later editions.

Description of the Model[6]

The basic data on travel activity levels (e.g., number of miles traveled by mode of transportation, the number of nights away from home spent by type of accommodation) are available from the 1977 National Travel Survey.[7] Through the TEIM's National Travel Expenditure Component (NTEC), the activity levels for trips to places within the United States are combined with the appropriate average costs of each unit of travel activity, (e.g., cost per mile by mode of transport, cost per night by type of accommodation), to produce estimates of the total amount spent on each of 16 categories of travel-related goods and services by state. For example, the number of nights spent by travel parties in commercial lodging in Maryland is multiplied by the average cost per night per travel party of staying in a commercial lodging facility in Maryland to obtain the estimate of traveler expenditures for hotel, motel and tourist court accommodations.

The expenditure data resulting from the National Travel Expenditure Component cover only those trips to places 100 miles or more away from home, the basic trip definition used in the 1977 National Travel Survey (NTS). Consequently, these results understate U.S. travel expenditures on all overnight trips and day-trips of 100 miles for two reasons. First, only 100-mile trips are included in the 1977 NTS and the expenditure estimates based upon it. Second the 1977 NTS may have underestimated travel activity, with resulting expenditure estimates based upon it underestimated as well.

In order to correct for these potential sources of underestimation, the results of the NTEC for each state are calibrated using estimates provided by the U.S. Census Bureau's 1977 Census of Service Industries (CSI).[8] The NTEC estimates of traveler spending for commercial accommodations are compared to the CSI estimates of hotel/motel receipts from room rentals, and the state travel expenditure estimates for each category are adjusted by the ratio of the CSI estimates of hotel/motel room rental receipts in a state to the NTEC estimates of travel spending on commercial accommodations in the state. The results are adjusted travel expenditures in each of the 16 categories for each state which represent expenditures on overnight trips away from home, and day trips to places 100 miles or more away from home.

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[6]For a detailed description of the TEIM, including equations and data sources, see Frechtling, Douglas C., et. al., Travel Economic Impact Model, Volume I: Final Economic Analysis Methodology, U.S. Travel Data Center, Washington, D.C., 1975, 108 pp.

[7]U.S. Bureau of the Census, 1977 Census of Transportation, National Travel Survey, U.S. Government Printing Office, Washington, D.C. 1979, 362 pp.

[8]U.S. Bureau of the Census, 1977 Census of Service Industries, Geographic Area Series, U.S. Government Printing Office, Washington, D.C., 1979.

The Economic Impact Component of the TEIM estimates travel-generated business receipts, employment, and payroll. Basically, the 16 types of travel expenditures are associated with 16 different types of travel-related businesses. For example, traveler spending on commercial lodging in a state is related to the business receipts, employment and payroll of hotels, motels and motor hotels (SIC 701) in the state. It is assumed that travel spending in each category, less sales and excise taxes, equals business receipts for the related business type as defined by the U.S. Census Bureau.

It is assumed that each job in a specific type of business in a state is supported by some amount of business receipts and that each dollar of wages and salaries is similarly supported by some dollar volume of business receipts. The ratios of employment to business receipts are computed for each industry in each state. These ratios are then multiplied by the total amount of business receipts generated by traveler spending in a particular type of business to obtain the measures of travel-generated employment and payroll of each type of business in each state. For example, the ratio of employees to business receipts in Maryland commercial lodging establishments is multiplied by traveler-generated business receipts of these establishments to obtain traveler-generated employment in commercial lodging. A similar process is used for the payroll estimates.

The Fiscal Impact Component of the TEIM is used to estimate traveler-generated tax revenues of federal, state and local governments. The yield of each type of tax is related to the best measure of the revelant tax base available for each state consistent with the output of the Economic Impact Component. The ratios of yield to base for each type of tax in each state is then applied to the appropriate primary level output to obtain estimates of tax receipts generated by travel. For example, the ratio of Maryland State personal income tax collections to payroll in the state is applied to total travel-generated payroll to obtain the estimate of state personal income tax receipts attributable to traveler spending in Maryland.

The 1977 benchmark estimates of travel expenditures, and travel-generated employment, payroll and federal, state and local tax revenue, are up-dated for each succesive year. Data from the U.S. Bureau of the Census, the Federal Aviation Administration, the Civil Aeronautics Board, Amtrak, the American Bus Association, the Federal Highway Administration, state revenue departments, the Data Center's annual National Travel Survey and other sources are used for this purpose. These data indicate the change in travel spending for each of the expenditure categories for each state over the previous year, as well as changes in the relationship of travel spending to employment, payroll and tax revenue. A new benchmark estimate will be computed when the results of the Census Bureau's 1982 National Travel Survey are available.

Limitations of the Study

This study is designed to indicate the impact of U.S. traveler expenditures on employment, payroll, business receipts and tax revenue in each of the states. These impact estimates reflect the limitations inherent in the definition of travel expenditures. Two important classes of travel-related expenses have not been estimated due to lack of sufficient data. Consumers purchase certain goods and services in anticipation of a trip away from home. These include sports equipment (tennis racquets, skis, scuba gear, etc.), clothing (tennis clothes, ski togs, bathing wear, etc.), travel books and guides, and services such as language lessons and lessons for participatory sports (tennis, skiing, underwater diving, etc.). Although the magnitude of these purchases in preparation for a trip cannot be quantified, it is probably significant relative to overall travel expenditures.

The second type of spending not covered due to lack of sound, relevant data is the purchase of major consumer durables generally related to outdoor recreation on trips. While recreational vehicles (campers, motor homes, trailers and mobile homes) are covered, spending for boats and boating supplies, and off-road recreational vehicles such as trail bikes, dune buggies and snowmobiles are not. Further research is required in this area to estimate the average spending on items such as these by travelers.

Certain states generate peculiar spending behavior relative to others. For example, traveler expenditures on gaming in Nevada comprise a substantial portion of tourist receipts, and contribute heavily to the state's economy. Data on such unusual spending is virtually unavailable, and thus these activities are not reflected in these estimates at this time.

Moreover, the TEIM records travel expenditures only for those states where travelers spent the night, originated, or were destined. Due to the nature of the Census Bureau's 1977 National Travel Survey, expenditures could not be allocated to states passed through in a single day. It is believed these expenditures may be quite significant to certain "bridge" states between major population concentrations and major destinations.

The trip definition inherent in this study also limits the estimates of economic impact somewhat. Specifically excluded are the economic effects of U.S. traveler expenditures in this country pursuant to traveling to a foreign destination. Also excluded is the impact of day-trips to places less than 100 miles from home. While these latter trips may be quite numerous, intuitively, they appear to involve little economic impact since lodging expenditures and virtually all common carrier spending are excluded. Meal, entertainment and recreation expenditures on these trips also seem relatively insignificant.

These travel expenditure and impact estimates are based on household surveys of travel activity. Consequently, they are subject to all of the sampling and non-sampling errors inherent in sample surveys.

Most travel expenditure data collected is on a "type of purchase" rather than "point of purchase" basis. This means there is some incongruity in matching spending on different goods and services while traveling with the receipts, employment and payroll of different types of businesses. For example, all spending for meals is assumed to take place in eating and drinking places (SIC 58), whereas some may actually occur in hotels or other commerical lodging places (701). This inconsistency does not appear to introduce major errors in the calculations and can only be corrected upon collection of point-of-purchase expenditure data.

Little is known about the type of purchases made in this country by foreign visitors. Consequently, these expenditures cannot be distributed among the states or among expenditure categories to determine precise impact. However, it should be recognized that the estimates contained herein significantly understate the impact of tourism in states which receive a substantial number of foreign visitors.

APPENDIX B

Glossary of Terms

GLOSSARY OF TERMS

Automobile Transportation Expenditure. This category includes a prorate share of the fixed costs of owning an automobile, truck, camper, or other recreational vehicle, such as insurance, license fees, tax, and depreciation costs. Also included are the variable costs of operating an automobile, truck, camper, or other recreational vehicle on a trip, such as gasoline, oil, tires, and repairs. The costs of renting an automobile or other motor vehicle are included in this category as well.

Automobile Transportation Industry. Automotive dealers and gasoline service stations (SIC 55); automotive rental and leasing without drivers (751).

Entertainment/Recreation Expenditure. Traveler spending on recreation facility user fees, admissions at amusement parks and attractions, attendance at nightclubs, movies, legitimate shows, sports events, and other forms of entertainment and recreation while traveling.

Entertainment/Recreation Industry. Amusement and recreation services (SIC 79) and motion picture theaters (783).

Food Expenditure. Traveler spending in commercial eating facilities and grocery stores or carry-outs, as well as on food purchased for off-premise consumption.

Food Service Industry. Eating and drinking places (SIC 58).

General Retail Trade Industry. This sector is defined to receive incidental purchases by travelers. It includes general merchandise group stores (SIC 53) and miscellaneous retail stores (59).

Incidental Purchase Expenditure. Traveler spending on retail trade purchases including gifts for others, medicine cosmetics, clothing, personal services, souvenirs, and other items of this nature.

Incidental Purchase Industry. See General Retail Trade Industry.

Lodging Industry. This industry includes hotels, motels and motor hotels (SIC 701), camps and trailer parks (703), and general building contractors -- residential buildings (152) and operative builders (1531).

Public Transportation Expenditures. This includes traveler spending on air, bus, rail and boat/ship transportation, and taxicab or limousine service between airports and central cities. Also included are expenditures on "other transportation" as indicated in the 1977 National Travel Survey.

Public Transportation Industry. Air transportation (SIC 45), taxicab companies (411), intercity highway passenger transportation (413), National Railroad Passenger Corporation (Amtrak), and water transportation (44 except 441). Also is the "dummy" industry of "other transportation."

Tourism. Generally avoided in this study, this term can be used to refer to pleasure or personal travel, a subset of travel.

Travel. The act of taking a "trip" (qq.v.)

Travel Arrangement Industry. This includes travel agencies, tour operators, and other services in arranging passenger transportation, and is covered under SIC 4722.

Traveler. A person on a "trip" (qq.v.).

Travel Expenditure. The exchange of money or the promise of money for goods or service while traveling, including any advance purchase of public transportation tickets, lodging or other items normally considered incidental to travel, but which may be purchased in advance of the trip. In addition, certain of the "fixed" or capital costs of owning a motor vehicle (including campers, motor homes, etc.) or a vacation or second home are included as associated with taking a trip. Generally, expenditures are assumed to take place at the point where the good or service is bought while traveling. The two exceptions to this rule are that the fixed costs of operating a motor vehicle while on a trip are allocated to the traveler's area of residence, and the "imputed rent" of spending nights in the traveler's own vacation home are allocated to the area visited.

Travel-generated Employment. The number of jobs attributable to travel expenditures in an area. These estimates of employment follow the "establishment payroll survey definition" rather than the "household survey definition." Consequently the TEIM estimates are more closely related to the number of jobs than to number of employees. For a detailed description of the household and establishment survey differences, see Green, Gloria P., "Comparing Employment Estimates from Household and Payroll Surveys," Monthly Labor Review, Vol. 92, No. 12 (December, 1969).

Travel-generated Payroll. This is the payroll, or wage and salary income, attributable to travel expenditures in an area. Payroll includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay, and the value of payments in kind (such as free meals and lodgings) paid during the year to all employees. Trips and gratuities received by employees from patrons and reported to employers are included. For corporations, it includes amounts paid to officers and executives; for unincorporated businesses, it does not include profit nor other compensation of proprietors or partners. Payroll is reported before deductions for social security, income tax, insurance, union dues, etc.

Travel-generated Tax Receipts. These are federal, state and local tax revenues attributable to travel in an area. For a given state locality, all or some of the taxes may apply. "Local" includes county, city or municipality, and township units of government. This tax revenue is attributable to the level of government actually collecting the receipts, and not the level that may end up receiving it through intergovernmental transfers.

Federal. These receipts include corporate income taxes, individual income taxes, employment taxes, gasoline excise taxes, and airline ticket taxes.

State. These receipts include corporate income taxes, individual income taxes, sales and gross receipts taxes, and excise taxes.

Local. These include county and city receipts from individual and corporate income taxes; sales, excise and gross receipts taxes, and property taxes.

Travel-generated Wage and Salary Income. The same as "travel-generated payroll."

Trip. A trip occurs, for the purpose of the Model, every time one or more persons goes to a place 100 miles or more away from home in one day, or is out-of-town one or more nights, and returns to his origin. Specifically excluded from this definition are: (1) travel as part of an operating crew on a train, plane, bus, truck or ship; (2) commuting to a place of work; (3) student trips to school or those taken while in school. Also excluded is foreign travel activity in the U.S.

Visitor. This term is usually limited to special studies of individual cities or metropolitan areas. It includes those not residing in the area under study who travel away from home overnight or on a day trip of 200 round-trip miles or more and visit the area. As a general rule, total travel impact on an area less the impact of area residents equals visitor impact.

APPENDIX C

Revised 1979 Estimates for Selected States

Table C-1: U.S. Domestic Travel Expenditures for All Trips, 1979 Revised
($ millions)

State	Public Transportation	Automobile Transportation	Lodging	Food
Connecticut	$ *	$ 689.6	*	$ *
Kentucky	*	611.5	*	*
Virginia	447.9	604.2	*	701.4
TOTAL	$23,129.2	$32,793.1	*	$37,844.0

State	Entertainment, Recreation	Incidental Purchases	TOTAL
Connecticut	$ *	$ *	$ 1,544.5
Kentucky	*	*	1,669.5
Virginia	191.6	200.2	2,609.0
TOTAL	$10,463.6	$10,145.0	$140,256.4

*Not revised from estimates published in 1979 Impact of Travel on State Economies.

Source: U.S. Travel Data Center

Table C-2: U.S. Travel-Generated Business Receipts for All Trips, 1979 Revised
($ millions)

State	Public Transportation	Automobile Transportation	Lodging	Food
Connecticut	$ *	$ 625.1	*	*
Kentucky	*	561.6	*	*
Virginia	425.7	556.7	*	674.2
TOTAL	$26,492.1	$ 30,058.5	*	$35,161.9

State	Entertainment, Recreation	Incidental Purchases	Total
Connecticut	$ *	*	$ 1,430.4
Kentucky	*	*	1,573.4
Virginia	184.2	192.4	2,479.6
TOTAL	$10,252.9	$9,705.4	$132,912.2

*Not revised from estimates published in 1979 Impact of Travel on State Economies.

Source: U.S. Travel Data Center

Table C-3: U.S. Travel-generated Payroll, 1979 Revised
($ millions)

State	Public Transport	Auto Transport	Lodging	Food
Connecticut	$ *	$ 59.4	$ *	*
Kentucky	*	44.6	*	*
Virginia	119.4	51.6	*	175.8
TOTAL	$8,533.0	$ 2,629.5	*	$ 9,662.6

State	Entertainment Recreation	Incidental Purchases	Travel Arrangement	Total
Connecticut	*	*	*	33.3
Kentucky	*	*	*	305.8
Virginia	56.4	27.4	*	549.2
TOTAL	$3,047.3	$1,396.2	*	$31,266.9

* Not revised from estimates published in 1979 Impact of Travel on State Economies.

Source: U.S. Travel Data Center

Table C-4: U.S. Travel-generated Employment, 1979 Revised
(thousands of Jobs)

State	Public Transport	Public Transport	Lodging	Food
Connecticut	*	6.1	*	*
Kentucky	*	5.1	*	*
Virginia	6.3	5.9	*	37.3
TOTAL	465.4	281.6	*	1,977.6

State	Entertainment Recreation	Incidental Purchases	Travel Arrangement	Total
Connecticut	*	*	*	37.9
Kentucky	*	*	*	47.7
Virginia	8.7	4.0	*	79.8
Total	427.4	180.0	*	4,156.0

* Not revised from estimates published in 1979 Impact of Travel on State Economies.

Source: U.S. Travel Data Center

TABLE C-5: 1979 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS) REVISED

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
ALABAMA	$ 45.2	$ 41.1	$ 11.9	$ 98.2
ALASKA	36.1	24.3	5.5	65.9
ARIZONA	90.3	89.0	27.6	206.9
ARKANSAS	40.5	50.9	4.5	95.9
CALIFORNIA	1,169.2	739.4	320.8	2,229.4
COLORADO	203.4	82.9	48.5	334.8
CONNECTICUT	102.9	80.3	15.0	198.2
DELAWARE	32.3	11.4	2.0	45.7
FLORIDA	454.6	377.4	67.2	899.2
GEORGIA	164.7	148.8	31.7	345.2
HAWAII	115.5	75.2	11.7	202.4
IDAHO	33.2	25.8	5.0	64.0
ILLINOIS	346.1	161.9	55.6	563.6
INDIANA	114.3	94.8	17.1	226.2
IOWA	57.7	49.4	11.6	118.7
KANSAS	54.9	44.9	11.1	110.9
KENTUCKY	65.1	77.1	5.4	147.6
LOUISIANA	115.4	82.4	42.6	240.4
MAINE	36.4	37.2	8.3	81.9
MARYLAND	170.6	80.6	32.5	283.7
MASSACHUSETTS	205.5	159.1	49.0	413.6
MICHIGAN	330.6	178.2	42.4	551.2
MINNESOTA	219.8	144.3	26.7	390.8
MISSISSIPPI	27.0	46.2	8.5	81.7
MISSOURI	214.7	98.3	36.4	349.4
MONTANA	17.7	12.4	5.4	35.5
NEBRASKA	44.4	34.7	10.7	89.8
NEVADA	130.7	50.5	24.1	205.3
NEW HAMPSHIRE	34.9	13.0	8.8	56.7
NEW JERSEY	260.3	133.9	48.7	442.9

TABLE C-5: 1979 U.S. TRAVEL-GENERATED TAX REVENUES (MILLIONS) (CONTINUED)

	FEDERAL TAX REVENUES	STATE TAX REVENUES	LOCAL TAX REVENUES	TOTAL
NEW MEXICO	39.9	37.8	8.4	86.1
NEW YORK	744.6	414.2	299.3	1,458.1
NORTH CAROLINA	126.4	101.4	28.4	256.2
NORTH DAKOTA	19.7	22.5	3.0	45.2
OHIO	329.7	142.4	47.4	519.5
OKLAHOMA	87.1	43.3	27.1	157.5
OREGON	101.2	31.4	17.1	149.7
PENNSYLVANIA	356.0	260.5	45.5	662.0
RHODE ISLAND	21.2	16.4	3.8	41.4
SOUTH CAROLINA	67.4	87.2	9.8	164.4
SOUTH DAKOTA	13.5	14.7	4.7	32.9
TENNESSEE	86.3	76.6	27.2	190.1
TEXAS	480.3	226.3	97.1	803.7
UTAH	44.5	40.7	12.3	97.5
VERMONT	30.0	41.9	9.9	81.8
VIRGINIA	108.5	90.9	36.9	236.3
WASHINGTON	119.6	84.8	16.5	220.9
WEST VIRGINIA	30.5	30.6	3.2	64.3
WISCONSIN	142.8	118.8	23.5	285.1
WYOMING	21.2	19.1	7.5	47.8
DISTRICT OF COLUMBIA	74.1	58.1	-	132.2
TOTAL	$ 7,978.5	$ 5,205.0	1,724.9	$14,908.4

NOTE: DETAILS MAY NOT ADD TO TOTALS DUE TO ROUNDING.
SOURCE: U.S. TRAVEL DATA CENTER

APPENDIX D:

SOURCES

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